

# Fine Gael Manifesto

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**FINE GAEL**

Let's Get Ireland Working

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# Let's Get Ireland Working

**Ireland now relies on the goodwill of other Governments and international institutions to fund our State. That Ireland has been brought to this tragic juncture in our history reflects a massive loss of market and international political confidence not just in the last Government's economic policies, but also in the way Ireland works as a country.**

The economic collapse we have witnessed has shattered citizens' confidence not only in reckless banks, but also in the integrity of our politics and the institutions put in place to protect, help and serve us, such as the Financial Regulator, the HSE and FÁS.

Behind the wreckage of our banking system, our health service, our public finances and the jobs market, lies a cosy culture of cronyism and low standards that infiltrated the top of our political and public service systems under recent Governments.

It is a culture that abandoned the principles underpinning the Republic that Fine Gael founded in 1949 by distorting the power and resources of the State for the benefit of the few, not the many. It allowed special interests to crowd out the public interest. It pushed the interests of citizens behind those of powerful elites.

The next Government must pick up the pieces. It must steer the country away from bankruptcy by solving the debt crisis in a way that protects the most vulnerable and distributes the burden fairly. It must also broaden the tax base in a way that keeps Ireland an attractive location to work, raise a family, invest and create jobs.

None of this will be easy. It could take a decade to fix many of Ireland's problems. But it must be done.

Changing the politicians around the cabinet table is necessary to restore confidence in Ireland's Government, but that alone will not be enough to put the country back on track. What are also needed are fundamental changes in the structures and systems of the State itself to improve the quality of governance experienced by the country. It is these fundamental changes that form the basis of this manifesto, all linked together by a 5-Point Plan that will:

1. Help protect and create jobs
2. Keep taxes low while fixing the deficit;
3. Deliver smaller, better government;
4. Create a completely new, fairer, more efficient health system; and
5. Overhaul the way our political system works to stamp out cronyism and low standards.

Those who founded the State sought to create the economic foundations for our political independence. The purpose of the next Government, and the next generation, will be to turn again to that task. I commend this Manifesto to you as an important step on this journey.

**Enda Kenny**

*Leader*

Fine Gael

# Cuirimis Éire ag obair

**Tá Éire ag brath anois ar dhea-mhéin Rialtas eile agus ar dhea-mhéin instiúidí idirnáisiúnta chun ár Stát a mhaoiniú. Is léiriú é an chailliúint ollmhór muiníne atá ag na margaí agus ag an gcóras polaitiúil idirnáisiúnta as ní amháin polasaithe eacnamaíochta an Rialtais dheireannaigh ach as an mbealach a oibríonn Éire mar thír ar an staid tragóideach ina bhfuil an tír seo ag an tráth seo inár stair.**

Tá an turnamh eacnamaíochta atá feicthe againn tar éis muinín na saoránach, ní amháin as na bainc neamhsrupallacha, ach as ionracas ár gcóras polaitíochta agus as na hinstiúidí a cuireadh ar bun chun muid a chosaint, chun cabhrú linn agus chun freastal orainn, mar An Rialtóir Airgeadais, Feidhmeannacht na Seirbhísí Sláinte agus FÁS a scrios.

Taobh thiar de smionagar ár gcóras baincéireachta, ár seirbhís sláinte, ár gcaiteachas poiblí agus an margadh fostaíochta tá cultúr compordach measúil agus caighdeán isle tar éis dul i bhfeidhm ag barr ár gcóras polaitiúil agus ár gcóras seirbhís poiblí faoi na Rialtais dheireannacha.

Is cultúr é a thug droim láimhe dona prionsabail atá mar bhunchloch ag an bPoblacht a bhunaigh Fine Gael sa bhliain 1949 tré chumhacht agus achmhainní an Stáit a úsáid ar mhaithe le mionlach an phobail, in ionad an mhóraithe. Cuireadh leas na ngrúpaí cumhachtacha in áit leas an phobail. Bhrúigh sé leas na saoránach ar chúl leas na ndreamanna cumhachtacha.

Caithfidh an Rialtas nua an tír a atógáil. Caithfidh sé an tír a stiúradh ó bheith bancbhriste tré géarchéim na bhfiacha a réiteach ar bhealach a chosnóidh na daoine is leochailí inár sochaí agus a dháilfidh an t-ualach go cothrom. Caithfidh sé chomh maith cáin a ghearradh ar bhealach a choimeádann an tír seo tarraingteach mar áit chun fostaíocht d'fháil, clann a thógáil, infheistíocht a dhéanamh agus postanna a chruthú.

Níl aon bhealach éasca ann chun é seo a thabhairt i gcrích. B'fhéidir go dtógfaidh sé tréimhse deich mbliana chun a lán d'fhadhbanna na hÉireann a réiteach. Ach, caithfear é a dhéanamh.

Ní mór na polaiteoirí atá san Aireacht a athrú chun muinín as Rialtas na hÉireann a athbhunú, ach ní leor é sin amháin chun an tír a chur ar an mbóthar ceart. Tá gá againn chomh maith le hathruithe bunúsacha ar structúir agus ar chórais an Stáit féin chun caighdeán an rialaithe sa tír a fheabhsú. Is iad na hathruithe bunúsacha seo is bun leis an bhForógra seo. Tá siad ar fad nascaithe le chéile ag Plean 5-Phoinnte a thabharfaidh na haidhmeanna seo a leanas i gcrích

1. Cabhróidh sé chun postanna a chosaint agus a chruthú
2. Coimeádfaidh sé cánacha íseal ach laghdóidh sé an bhearna sa chaiteachas poiblí;
3. Cuirfidh sé rialtas níos fearr agus níos lú ar fail;
4. Cruthóidh sé córas sláinte iomlán nua agus níos cothroime agus níos éifeachtaí;
5. Athchóróidh sé an córas polaitiúil chun deireadh a chur le caighdeán isle.

Theastaigh uathu siúd a bhunaigh an Stát bunchloch eacnamaíochta a leagan síos dár neamhspleáchas polaitiúil. 'Sé aidhm an chéad Rialtas eile, agus an chéad ghlúin eile, ná díriú arís ar an obair sin. Molaim an Forógra seo daoibh mar chéim tábhachtach ar an turas seo.

**Enda Ó Cionnaith**

*Ceannaire*

Fine Gael

# FINE GAEL'S 5 POINT-PLAN FOR RECOVERY

## 1. GROWTH AND JOBS

Fine Gael's number one priority in Government will be **JOBS**. The ESRI believes that 100,000 jobs can be created over 5 years by Ireland returning to 3% growth. As outlined in our jobs policy, Working for Our Future, Fine Gael will ensure this happens by investing in key infrastructure and establishing the right conditions for private sector job growth. Our goal is to make Ireland, as it was in the late 1990s, one of the best countries in the world for doing business. (See section 15)

Fine Gael believes the jobs crisis is the biggest challenge facing Ireland:

**First, because of the social misery it is causing:** Over the last three years 300,000 people have lost their jobs - the biggest fall in employment in the OECD - while 100,000 mostly young people will emigrate over the next two years. Emigration must not become a permanent feature of Irish life.

**Second, because we will never fix the deficit unless we get the economy growing.** The Government has no jobs plan. Its only strategy is to pump tens of billions of Euros into the banks, cut the deficit largely through job-destroying tax increases, and hope for the best. Yet no country has ever taxed or cut itself back to recovery.

Fine Gael has a clear, credible jobs plan. We will create over 45,000 additional work experience, training, and internship opportunities, and increase total employment by at least 100,000 jobs by:

- 1. Focusing on budget cuts rather than job-destroying tax increases.** The international evidence is clear: Tax hikes raise the unemployment rate by three times more than spending cuts.
- 2. Investing in the future.** Our NewERA plan will invest an extra €7 billion in energy, communications and water to give Ireland the world class infrastructure it needs to compete. Since it will be funded in significant part through the sale of non-strategic state assets it will not increase the Government deficit. NewERA will give Ireland a high-speed broadband network with speeds in the top 5 of the OECD, a "smart" energy grid that will allow us to meet national targets for renewable energy and carbon reduction, and a water system that doesn't waste tens of millions every year through leakages.
- 3. Supporting small and medium businesses.** We will establish a new partial loan guarantee scheme which will give small businesses the credit they desperately need. We will overhaul public procurement so that small companies can bid for business, and give tenants the right to have their commercial rents reviewed irrespective of any upward only or other review clauses. We will reduce costs by opening up the closed parts of the economy to competition and target a €500 million reduction in red tape for business.
- 4. Focusing on key growth sectors.** These include **education** (we will introduce a new more focused strategy to attract international students); **digital media** (we want Ireland to become a world class player in digital gaming); **tourism** (we will abolish the travel tax if the airlines agree to re-open closed routes); and **food** (Fine Gael will introduce a number of proposals to position Ireland as the "Green Food Island").

## 2. FAIR DEFICIT REDUCTION

As stated in our banking policy, Credit Where Credit is Due, Fine Gael will reduce the budget deficit to 3% by 2014. We want Ireland by 2016 to be borrowing only for investment purposes. Unless the deficit is brought under control in this way, interest costs will cripple Ireland.

Under a Fine Gael Government, tax increases will constitute at most one-third of our measures to reduce the deficit, with any tax increases focused on areas which have a minimal impact on jobs. **We will not increase income taxes, the 12.5% rate of corporation tax or taxes on jobs (employers' PRSI).** We will, however, either eliminate or restrict all of the tax shelters and tax exemptions that allow the better off to avoid paying their fair share of taxes. (See section 18)

Fine Gael believes that the IMF/EU bail-out deal has not and will not restore investor confidence in our country, and must therefore be renegotiated to reduce the interest rate and to ensure a fairer sharing of the cost of fixing Ireland's broken banks. The current deal is bad for Ireland – and bad for Europe.

- **Bad for Ireland.** The financial markets are closed to Ireland principally because investors are concerned that any more capital injections into the banks – the cost so far is €100 billion – will sink the Irish economy.
- **Bad for Europe.** Our EU partners want Ireland to return to the financial markets as soon as possible. However, it is difficult to see how this can happen unless the market's concerns about the banking bailout are addressed directly.

Fine Gael favours spending reductions over tax increases not for ideological reasons, but because the experience of other countries shows that tax hikes raise the unemployment rate by three times more than spending cuts. Some argue that there is no further room for savings in Government spending. We disagree:

- **First, Ireland's total spending ('General Government') as a percentage of GNP is still higher than the EU average, even after recent budget cuts.**
- **Second, a great deal of spending over the last few years has been wasted.** Many state institutions, the HSE being the most obvious, have seen huge increases in their budgets but relatively little improvement in their services.
- **Third, Canada and Sweden in the 1990s showed that it is absolutely possible to cut spending while still growing the economy and protecting frontline services.** The secret of their success was to ensure that cuts were introduced as part of a comprehensive reform of public services. This is exactly the approach which Fine Gael is adopting.

By cutting down on waste and inefficiency Fine Gael will keep the Old Age Contributory and Non-Contributory Pension at its current level. Working-age payments to carers, the blind and the disabled will also be maintained. We will minimise further reductions in job-seekers' payments and other working-age social welfare payments by getting more people back to work, and by reducing the massive levels of fraud and administrative cost in the current welfare system.

### 3. SMALLER BETTER GOVERNMENT

Fine Gael is convinced that the public sector has a crucial role to play in Ireland's future. We reject totally the idea that its contribution to Ireland can or should be captured in a narrow profit and loss statement. Public service is about enriching the lives of people and helping the most vulnerable in our society, not about making a profit. But as Fine Gael's *Reinventing Government* document outlines, reform is essential. (See section 19)

- **Government must become smaller.** Ireland's fiscal crisis means there is simply no other choice. Government has to deliver better value in order to reduce the deficit, avoid job-destroying tax increases and protect frontline services
- **Government must perform better.** All too often state institutions have prioritised the interests of the providers and the insiders over the public interest.

A Fine Gael Government will cut costs and increase productivity through a root and branch reform programme which will generate savings of over €5 billion, or 1 euro in every 10 spent by public bodies. To do this Fine Gael will among other things:

- 1. Cut the number of politicians by 1/3rd and reduce back office staff working in government departments.** Our goal is to reduce total public service headcount by 30,000 by 2014 compared to 2010. There will be no compulsory redundancies. We will also set a salary cap of €200,000 for everyone.
- 2. Abolish 145 state bodies and companies.** This will include the gradual dismantlement of the HSE and FÁS, and the creation of a single, more powerful Competition, Consumer and Utilities Commission to champion the consumer, rather than the big monopolies.
- 3. Implement a majority of the non social-welfare recommendations from the McCarthy Report.** We will also follow Canada and Sweden by undertaking a full comprehensive spending review which will eliminate non-priority programmes.
- 4. Establish new shared services for Human Resources, Information Technology and Legal Services.** This will allow 10% to be cut from the administration budgets of all departments and public bodies; and
- 5. Deliver at least 80% of the spending savings recommended by the Local Government Efficiency Review,** e.g., through more shared services.

**Fine Gael will reform Ireland's hugely over-centralised model of government.** A Fine Gael Government will give frontline staff greater freedom in how they do their job and ensure that citizens have more control over services delivered to them. We will give local authorities more responsibilities and more control over their own funding. We will create a "one stop shop" for all entitlements and introduce Personal Budgets for individuals, particularly in health, so they can choose the services they want and need.

**We will also open up government and make it more accountable.** All appointments at senior level will be opened up to external competition, with one-third of appointments reserved for external candidates for a 5-year period. The annual work objectives of the top 1,300 civil servants will be published online. There will be no "golden handshakes" for those who fail to deliver.



## 4. A New Politics

Fine Gael's New Politics is the most ambitious programme for political reform since the 1930s. Our view is simple: Politicians cannot ask others to change and make sacrifices if they are not prepared to do the same. Fine Gael will reduce the total number of Oireachtas members by a third by abolishing the Seanad and cutting the number of TDs by 20. In addition ministers' salaries will be reduced, political expenses fully vouched for and severance payments for ministers axed. No political pensions will be paid to sitting TDs and no retired politician will get a political pension until the national retirement age. Politics must be about service to the public, not financial gain for politicians. (See section 17)

A Fine Gael Government will hold a referendum on **CONSTITUTION DAY** within 12 months of assuming office at which the people will be asked to approve the abolition of the Seanad and other changes to the articles of the constitution covering the institutions of the state – principally the Executive, the Dáil, the Presidency and the Judiciary. This referendum will not address the articles dealing with rights/social policy.

Fine Gael believes that an over-powerful Executive has turned the Dáil into an observer of the political process rather than a central player and that this must be changed. We will:

- **Amend the constitution to give Dáil committees full powers of investigation.** The Abbeylara Supreme Court decision currently limits the ability of Dáil committees to hold investigations into crucial issues of public concern, such as the banking crisis.
- **Reduce the number of committees and give key committees constitutional standing.** The Dáil needs fewer but stronger committees, resourced properly.
- **De-politicise their work.** Chairs of committees will be assigned on a more proportional basis, while legislation will typically be introduced in a heads of Bill format to increase the chance of cross-party support.
- **Initiation of legislation and guillotines.** We will give committees the power to introduce legislation, while a new 10 Minute Rule will allow backbench TDs to introduce their own Bills. We will also tackle the huge over-use of guillotines to ram through non-emergency legislation.

Fine Gael believes there must also be a real shift in power from the state to the citizen.

- **Fine Gael has already published an Open Government Bill.** It will significantly strengthen Freedom of Information; establish a "whistleblowers charter"; register all lobbyists; and create a new Electoral Commission.
- **We will establish a Citizens Assembly, along the lines of those used in the Netherlands, to make recommendations on electoral reform.** We will also introduce a petitions system for the Dáil.
- **We will strengthen local government.** We will move many of the functions currently being performed by agencies back to Local Government and ensure that all property-related revenues are part of the income stream of Local Government.
- **Fine Gael will reduce the voting age to 17 and give eligible citizens the right to vote at Irish embassies in the Presidential election.** If this experiment is deemed a success Fine Gael will consider extending this practice to general elections.



## 5. Healthcare for All

*FairCare* is the most ambitious plan for health reform since the establishment of the state. Longer waiting times, a record number of patients on A&E trolleys and huge hikes in insurance premiums all point to a system in desperate need of change. *FairCare* will end Fianna Fail's and Mary Harney's privatisation strategy and address two key challenges:

- **High but Inefficient Spending:** Between 1997 and 2009 spending on health more than quadrupled. While spending per capita is in line with Germany, France and Sweden, the 2009 Euro Health Index Consumer (EHIC) ranks Ireland only 24th for value for money. The Netherlands is 4th in Europe as a whole and 1st in the original EU 15.
- **A Demographic Time-bomb:** Our population is one of the youngest in Europe. Without reform, health spending, according to the VHI, will have to increase to €37 billion by 2020 to meet greater demand from an ageing population. Ireland's tax take now is only €33 billion!

*FairCare* will gradually dismantle the HSE and replace it with a system of Universal Health Insurance (UHI) starting in 2016, based on the very efficient Dutch model of healthcare. Ireland will have a strong public health system in which the State guarantees equal access for all to quality healthcare with the insurance companies administering the system. Once UHI is introduced the unfair and inefficient two-tier health system will be eliminated. Every citizen will have private health insurance with the state paying for children/students and those on medical cards. It will subsidise those with low income. Public hospitals will remain under public ownership but will be given much more freedom to run themselves. (See section 13) Prior to the introduction of UHI Fine Gael will introduce a series of reforms to make the system more efficient and fairer. This will allow us to minimise the impact of budget cuts on frontline services.

1. **Cost Savings:** Fine Gael will reduce the headcount by 8,000 through natural retirement and a voluntary redundancy programme. We will pay hospitals for the number of patients they treat rather than giving block grants (Money Follows the Patient) which will increase productivity by up to 10%. We will accelerate the transfer of chronic disease management from hospitals to primary care. This will save several hundred million once introduced and help fund the construction of more primary care centres throughout the country. We will cut drugs costs further through various reforms.
2. **Driving towards free GP care for all:** As part of our preparation for UHI, we will look at a number of ways to widen access to free GP care as finances permit, including increasing the number of people who have a GP Visit Card. Fine Gael will also enter discussions with the insurers to see how cover for GP care can be extended by them to their clients at reasonable cost. We will open up the General Medical Services (GMS) contract to all suitable qualified doctors to increase competition and reduce costs.
3. **Reduced Waiting Lists:** We will establish a Special Delivery Unit (SDU), reporting directly to the Minister, to better manage waiting lists. A similar approach in Northern Ireland significantly reduced waiting lists.
4. **A More Competitive Insurance Market:** Fine Gael will introduce risk equalisation to make the system fairer, tackle the VHI's dominant market position, and encourage new entrants into the market.

# 1. Agriculture and Seafood

The agri-food sector has huge potential to contribute to export-led economic recovery. Agri-food exports are worth almost €8 billion sustaining over 150,000 jobs and 128,000 farms. But the agri-food industry has seen farming income fall by 40% between 2007 and 2009, three times more than the EU average. Farm incomes have recovered somewhat in the past year but the average still rests at approximately €16,500, significantly lower than the average industrial wage. Fine Gael will provide agri-food businesses with the environment needed to position Ireland as a world leader in the food industry.

## 1.1 A Decent Living for Farmers

**Fair Trade:** Removing unfair practices which hinder competition will lower food prices for consumers and will give producers a fairer price for their produce. We will enact a Fair Trade Act, which will ban a number of unfair trading practices in the retail sector such as ‘hello money’ which suppliers have to pay to get their goods on supermarket shelves.

**Competition, Consumer and Utilities Commission:** To save taxpayers’ money and to streamline resources, Fine Gael will merge the Competition Authority, the National Consumer Agency (NCA), Broadcasting Authority of Ireland (BAI), the Commission for Communications Regulation (ComReg) and the Commission for Energy Regulation (CER) into a single, more powerful Competition, Consumer and Utilities Commission. We will seek to empower this new over-arching regulator and consumer champion to enforce our Fair Trade Act.

**Farm Gate Schemes:** Fine Gael recognises the contribution that farm gate schemes make to farm incomes and will do the utmost to protect farm-gate supports from further cuts.

**AEOS:** Fine Gael particularly values the contribution that agri-environment schemes play as an income support for farmers. We will investigate the possibility of expanding the Agri-Environment Options Scheme (AEOS) to those farmers locked out of the scheme following the conclusion of their REPS 3 contracts by delivering efficiencies within the current budgetary framework.

## 1.2 Promoting Farming Interests in Europe

**CAP Reform:** Fine Gael is committed to negotiating a fair deal for Irish farmers and will use our membership in the European People’s Party, the strongest political grouping in Europe, to campaign for a good deal for Ireland under the Common Agricultural Policy. Our primary aim is to secure a fair overall budget for agriculture under the renegotiated CAP. We will also prioritise a Single Farm Payment system which best benefits active farmers and the Irish system of production.

**Trade Negotiations:** Domestic economic problems must not overshadow emerging threats from ongoing trade negotiations. Fine Gael will work with our partners in the European People’s Party to avoid any damage to the agricultural sector from future trade deals.

**Market Volatility:** We will negotiate a pragmatic approach in the EU to address the impact of volatility in commodity prices on producers.

## 1.3 Positioning Ireland as a world leader in agri-food

**A More Efficient Department:** The Department of Agriculture, Fisheries and Food has traditionally acted as a payment processing facility rather than a driver of growth in the agri-food industry. We will move responsibility for agri-payments to a new one-stop-shop under our Reinventing Government proposals. We will also develop a new innovation unit in the Department to drive new policy initiatives in the agri-food industry.

**Added Value Products:** We will develop a stronger, collaborative approach to food research and will amend the R&D tax credit regime to make it more attractive and accessible to smaller businesses.

**Marketing Ireland:** We will develop a single brand for our agri-food sector globally, to market Ireland as a Food Island.

**Regional Branding:** We will encourage co-operation between Bord Bia and local business support centres to give small businesses assistance in developing individual food brands and will seek protected geographical indicator status for indigenous foods, which will help Irish products to increase exports.

**Food Tourism:** We will develop a culinary tourism strategy through Fáilte Ireland to sell Ireland's network of artisan food producers, cookery schools and restaurants.

## 1.4 Reforming Rules and Regulations

**Freedom to Farm:** We will conduct an audit of existing regulations for farmers to identify ways of reducing the burden of compliance without compromising on animal welfare, environmental or food safety standards.

**Agri-proof EU legislation:** We will examine new EU rules for any practical difficulties before finalisation in the EU, through a new European Legislation Committee.

## 1.5 Food Safety

**Single Food Safety Agency:** Building on the existing Food Safety Authority, Fine Gael will create a single food safety monitoring agency responsible for food safety inspection from farm to fork. This will enhance the food traceability system and reduce the burden of red tape on business. Food safety is paramount in maintaining Ireland's reputation internationally as a producer of healthy food. However, there are currently too many different agencies involved in food safety including the Food Safety Authority of Ireland, local authorities, the Department of Agriculture, the Department of Health and Children, the Health Services Executive and Sea Fisheries Protection Authority.

## 1.6 Enhancing the competitiveness of Irish Agri-food Businesses

**Reducing Labour Costs:** Fine Gael will review Employment Regulation Orders (EROs) to deliver a more competitive environment for job creation in the agri-food sector. We will allow farmers to negotiate a collective agreement at farm level with their staff which would exempt them from the ERO but not minimum wage and other employment protections.

**Business Inspections:** We will cut down on inspections for small business by rationalising the existing structures dealing with health and safety laws and labour laws. We will cut the red-tape burden for small businesses by 25%.

**Greater Access to Public Procurement:** Fine Gael will ensure small Irish businesses including those in the agri-food sector are given every opportunity to win valuable public sector contracts for goods and services.

**Carbon Tax:** Fine Gael will exempt farm diesel from further increases in the carbon tax.

## 1.7 Encouraging Young People in the Agri-Food Industry

**Young Farmers:** Fine Gael will increase the educational opportunities available to young people interested in a career in farming or in the agri-food sector through our agricultural colleges and third level institutions,

as well as practical workplace opportunities in agri-food businesses.

**New Farm Models:** We will review current farm partnership arrangements with the Office of the Revenue Commissioners to identify reasons for the poor take up of this model. We will publish revised arrangements for farm partnerships and shared farming arrangements and promote new models through Teagasc.

**CAP Reform:** We recognise the need to support young, active farmers. Fine Gael will work with the European Commission to ensure that the value of young farmers in ensuring a sustainable agricultural sector within the EU is a key policy of the CAP.

**Tax Commitments:** Stock relief is an important benefit for young farmers at a time when other incentives and supports have been abolished. We will maintain the existing relief.

**SME Loan Guarantee Scheme:** We will introduce a partial loan guarantee scheme for small and medium sized businesses, including sustainable small agri-food enterprises.

## 1.8 Animal Welfare

**Outdated Legislation:** We will enact new animal welfare legislation to update existing animal welfare rules which are outdated and need to be reformed.

**All-island Approach:** We will encourage greater co-operation across the island of Ireland on animal welfare issues.

## 1.9 Food Labelling

**Single Irish Food Label:** We will introduce a single food label for all Irish produce, which will be simple and easily recognisable in both domestic and international markets and will emphasise Ireland's ability to produce green, quality, healthy food.

**Country of Origin:** We will seek final agreement at an EU level on an extension of country of origin labels to a broader range of food products.

**Nutritional Information:** To promote quality Irish products as part of a healthy lifestyle, we will work with industry to introduce a Guideline Daily Amounts label for a broader range of food products.

## 1.10 Protecting the Environment through Renewable Opportunities

**Forestry:** We will deliver an afforestation programme of almost 15,000 hectares of forestry per annum through our NewERA plan, creating new jobs for rural communities.

**Biomass:** We will merge Coillte and Bord na Mona into a new company called *Bioenergy and Forestry Ireland* which will expand Ireland's position in biomass. This will not only create additional jobs for rural Ireland but will also provide farmers with a very real market opportunity for renewable crops.

**Anaerobic Digestion:** We will develop a new agriculture energy and land use policy for the country and will investigate opportunities for anaerobic digestion as a means of producing electricity and providing an added income option for farmers.

**Sugar Production:** We will carry out a feasibility study into the possibility of redeveloping the sugar beet sector, particularly with a view to the possibilities for biofuel production.

## 1.11 Supporting the Seafood Sector and Marine

**Expanding the Industry:** Fine Gael believes Ireland, as an island nation with a strong and valued fishing tradition has huge potential to succeed as a serious competitor in the international seafood sector. The seafood industry currently generates annual revenues of €718 million and provides direct employment for 11,000 people. With an estimated 40 million tonnes of seafood to be required annually by 2030, there is significant scope for further expansion.

**Common Fisheries Policy:** We will negotiate the best possible deal for Irish fishermen in the context of the ongoing review of the Common Fisheries Policy. Our priorities are:

- A progressive reduction of discards, fishery by fishery and in all maritime regions in the EU.
- Protection of the Hague Preferences.
- A uniform and transparent regulation regime.
- A clear, independently audited database of infringements across the EU.
- The development of a sustainable aquaculture plan.
- A strong focus on seafood marketing, labelling and country of origin to ensure imports meet the same standards on safety, hygiene, traceability, recall, information and audit.

**Sea Fisheries Bill:** We will publish legislation to replace the criminal sanctions system for minor fisheries offences with an administrative sanction system to bring Ireland into line with other European jurisdictions.

**Funding for Fisheries:** Fianna Fáil and Green Party in-fighting has limited Ireland's ability to draw down EU funds for seafood development. We will resolve difficulties blocking the drawdown of available funds.

**Aquaculture Licensing:** An additional 42 million tonnes of farmed seafood will be required to keep pace with demand each year by 2030, just 20 years away. We must increase our raw material supply and expand our aquaculture sector. We will remove administrative obstacles and clear the backlog of aquaculture licences currently preventing the creation of thousands of jobs in the aquaculture sector.

**Value Added Products:** Currently, 85% of all Irish seafood is commodity traded. There is a significant opportunity to generate more value from this raw material base. Fine Gael will task Bord Iascaigh Mhara with assisting Irish companies in adding value to their products through innovation.

**Single Food Label:** We will create and market a single label for all Irish produce and will drive a targeted marketing campaign to grow the Irish brand in new markets.

## 1.12 Steering the Marine

**Marine Department:** Marine and fisheries policy is currently spread across three Departments. Fine Gael will merge these responsibilities under one Department for better co-ordination in policy delivery.

**National Marine and Coastal Plan:** We will develop an integrated marine and coastal planning process to reach the full potential of our coastline in fishing, aquaculture, ocean energy and tourism.

**Ports Development:** We will support the development of our ports and marine sector as important drivers of economic growth. We will also replace the Boards of all State Port companies and Harbour Commissions within one year of entering government.

## 2. Arts, Culture and Sports

Ireland's creative industries contribute massively to the economy, raising hundreds of millions annually and supporting thousands of jobs. Most importantly, the sector promotes a positive view of the country internationally in difficult times. Fine Gael appreciates how important this sector is to Ireland's reputation and the role the industry will play in rebuilding Ireland's reputation globally in the future as a centre of innovation.

### 2.1 Core Supports

**Arts Funding:** Fine Gael is committed to supporting the Arts and will do the utmost to maintain funding to Arts organisations at adequate levels to support the industry and protect investment in existing Arts infrastructure.

**Struggling Artists:** We will review the mechanisms in place to support struggling artists to ensure available resources are targeted at those most in need of assistance.

**Skills Development:** We will encourage stronger linkages between Arts organisations and the business community to develop skills in fundraising, business planning and grasping sponsorship opportunities and networking opportunities. We will build on existing initiatives such as the 'New Stream' programme which supports the creative industries through private investment in training and skills development.

### 2.2 Arts in Education

**Arts and Education Collaboration:** We recognise the role that the Arts must play in education and are committed to the delivery of Arts education. We will strive to deliver better access for students to the Arts through stronger links between educational institutions and the Arts sector and in particular between schools and regularly funded Arts organisations supported by the Arts Council.

**Best Practice:** We will investigate Arts in education models such as the 'Cultural Rucksack' in Norway, which have succeeded in bridging problems in accessing the Arts, particularly for those from disadvantaged communities.

### 2.3 Philanthropy and Sponsorship

**Private Investment in the Arts:** Fine Gael will work with stakeholders in the Arts community to develop new proposals aimed at building private support of the Arts in Ireland. We will develop a strategy in consultation with the sector for the exploitation of philanthropic, sponsorship or foundation support opportunities.

### 2.4 Building on Ireland's Creative Edge

**Film Industry:** We will ensure Ireland remains a tax competitive destination for the development of film by extending the Section 481 Film Relief to 2016.

**Expanding the Irish Gaming Industry:** Fine Gael will allocate funding from the Innovation Fund Ireland to Irish digital gaming start-ups. In the last seven years, jobs in the gaming industry have grown four-fold to 1,400 people. Ireland must use its reputation as a technological leader to assist indigenous gaming companies to expand and develop new products and technology.

## 2.5 Putting Culture at the Heart of National Identity

**Commemorative Events:** We will develop a cultural plan for future commemorative events such as the Centenary of the Easter Rising in 2016.

**UNESCO City of Literature:** Ireland's literary tradition and modern successes is one of the strongest selling points of the Arts industry. We will maximise the tourism potential that Dublin's recent designation as a UNESCO City of Literature offers the country.

## 2.6 Arts at a Local Level

**Local Arts Plans:** Fine Gael will facilitate Local Authorities to co-operate to develop cultural tourism opportunities, supporting local jobs and businesses and ensuring regional Arts and cultural centres around the country are properly utilised.

**Local Authority Arts Officers:** We will encourage greater co-operation between local authorities to provide assistance where possible for local authorities currently lacking a local authority Arts officer due to recruitment restrictions.

**Touring:** We will encourage the Arts Council to continue to dedicate resources to touring in order to protect the State's investment in regional Arts infrastructure around the country and to bring cultural tourism opportunities to towns and villages across the country.

## 2.7 Sport

Fine Gael is firmly committed to the continued development of sport in this country. At a time of economic difficulty, sporting events and successes are vital in lifting the country's spirits and are a proud reflection of our nation's potential for success. We appreciate the important contribution that sport also makes to building a healthy nation. In Government, Fine Gael will promote greater participation in sport and will provide the environment for our athletes to succeed on the international stage.

**National Sports Audit:** We will publish a National Sports Facility Audit to identify where gaps in sporting infrastructure exist. This audit will inform any future investment on sports infrastructure.

**Representative Bodies:** We recognise the role of the various sporting organisations in developing high performance individual athletes and sporting participation at all levels across the country and will ensure available funds are distributed fairly amongst those in most need of assistance.

**GAA Players Grants:** We will continue to provide support for GAA players through the Irish Sports Council.

**Good Governance:** In consultation with sporting organisations, we will develop a code of good governance for sport. We will also encourage engagement with alternative dispute resolution mechanisms to avoid costly court proceedings where disputes arise.

**IRFU:** We will not implement 'free to air' proposals on Six Nations and Heineken Cup games.

**Sports Tourism:** We will investigate the possibility of developing a specific sport event bidding entity, mirroring initiatives like Sport Event Denmark, which has been very successful in bidding for international sporting events and generating revenue from sports tourism.

**Philanthropy:** We will review any obstacles to philanthropy in sport and will encourage sporting organisations to seek private investment opportunities where possible.



**EU Funding:** We will support sporting organisations in bidding for available EU Sports Funding.

**Increasing Participation:** We will encourage greater co-ordination between National Governing Bodies and Local Sports Partnerships to increase participation in sports and reaching out to under-represented groups and the unemployed. Fine Gael will encourage and promote mass participation in sport.

**Cross Departmental Approach:** We will ensure greater co-ordination and co-operation between the Departments of Sport, Health and Education so that issues like obesity and physical education in schools can be tackled in a structured way.

**Special Olympics Ireland:** We will support Special Olympics Ireland in furthering opportunities for people with learning disabilities to participate in high quality sport and development activities that bring life changing experiences of increased skills and self-confidence.

### 3. Banking and Debt Distress

Banking is built on trust. But reckless lending by – and to – Irish banks during the property boom, encouraged by an irresponsible Government that put its election prospects over the stability of the Irish economy, means that Irish banks have lost the trust of depositors, investors and society at large.

And the response of the banks and the Government to the crisis has made matters worse. Committing €100 billion of taxpayers' money to the banks so that they can repay their foreign debts while starving the Irish economy of credit has made the recession far deeper than it needed to be.

The current IMF-EU bail-out plan signed has not – and will not – restore confidence in Ireland, because at its heart is a commitment to continue the failed banking policies of the present Government.

A Fine Gael Government will make our banking system an engine of economic recovery by restoring public and market confidence in its financial health, management competence and ethical integrity.

#### 3.1 A Fairer Sharing of the Cost of Restructuring and Funding Irish Banks

**Re-negotiating the EU-IMF Programme of Support:** Borrowing up to €25 billion in additional funds from the EU / IMF at 5.8% to cover additional bank losses from fire-sales of loans and other bank assets at rock-bottom prices, as this Government has agreed, will push Irish Government debt towards unsustainable levels and hinder economic recovery, threatening the stability of the entire euro area.

A Fine Gael Government will seek a mandate from the Irish people to renegotiate a more credible, fairer package that is better for Ireland and Europe.

**A Transparent Assessment of the Capital Needs of Irish Banks:** We will defer further recapitalisations of Irish banks until the completion of the Prudential Capital Assessment Review, which is expected to be available within weeks of the formation of a new Government. It makes sense to know the size of the hole in the banks before committing further taxpayer resources. This might also make it possible for the stronger banks to reduce the taxpayers' exposure by raising private capital.

**European Support for Bank Recapitalisation:** We will seek to re-negotiate the terms of reference of the European Financial Stability Fund (EFSF) and / or European Financial Stability Mechanism (EFSM) to allow them to take equity stakes in systemically important European banks, such as AIB and Bank of Ireland. A similar option is that Ireland could buy "insurance" from the EU against the risk that losses in Irish banks will be significantly greater than projected under the PCAR exercise.

**Agreed Procedures for Restructuring the Debts of Troubled Banks:** Fine Gael in Government will force certain classes of bond-holders to share in the cost of recapitalising troubled financial institutions. This will be done unilaterally for the most junior bondholders (owners of preference shares, sub-ordinated debt and similar instruments), but could be extended – as part of a European-wide framework – for senior debt, focusing on insolvent institutions like Anglo Irish and Irish Nationwide that have no systemic importance.

**A More Sustainable Funding Solution for Irish Banks:** Irish banks need to shrink their balance sheets to reduce their dependence on volatile non-deposit funding sources. We will seek to collaborate with U.S. regulatory authorities to collate the dollar assets of Irish banks (up to \$50 billion) that could be used as security to secure funding from the U.S. Federal Reserve.

**Long-Term EU Funding for Irish Banks:** Rather than selling assets at fire-sale prices with the losses covered by already over-stretched Irish taxpayers, we will negotiate with the EU/ECB to fund – on a

longer-term basis – the transfer at par value of relatively-secure Irish bank loan books – such as tracker mortgages – into a “warehouse” or Special Purpose Vehicle. This might involve the EU funds buying long-term bonds to fund such entities. This would shrink the Irish banks to a size where they can fund most of their remaining loan books through deposits, helping to address market concerns about their long-term liquidity position.

### **3.2 Re-Building a Competitive, Well-Managed, Privately-Owned Banking System**

**Putting the Government Back in Charge of Restructuring the Banking Sector:** We will establish and staff with the necessary expertise a new banking policy division in the Department of Finance to manage, from one central point, the efforts of the Central Bank, the NTMA and the banks’ management themselves to repair the Irish banking system.

**Promoting New Leadership and Management in the Banks:** A Fine Gael Government will accelerate the replacement of directors and senior managers in the Irish banks. To expedite this change-over we will openly construct a pool of globally experienced, turn-around managers and directors to be inserted into key executive and non-executive positions in banks receiving taxpayer support.

**Banks Should Squeeze Their Costs before Their Customers:** The cost-income ratios of AIB and Bank of Ireland are still out of line with comparable European banks. A Fine Gael Government will direct any mortgage provider in receipt of State support to present it with a plan within 100 days of coming into Office of how it intends to cut its wage bill and other costs – over and above existing plans – in a fair manner by a sufficient amount to forego a 25 basis point increase on their variable rate mortgages. This plan should include a new, lower pay cap for senior staff and a verifiable commitment to suspend all bonus payments until the banks are no longer in receipt of State support.

**Returning Viable Banks to Private Ownership:** Fine Gael will complete the sale of EBS to a new, private owner, and will support the new institution as a lynchpin for building a third force in Irish banking to compete against AIB and Bank of Ireland in the business and personal banking markets. We will consider selling AIB to a large, foreign bank in order to bring access to new funding and capital for Irish enterprises, and to address market concerns about the threat to the national finances from the banking system. We will seek to retain Bank of Ireland under domestic ownership and control, and will give individual Irish citizens an option to buy the State’s shares at a strike price that, at the very least, recovers the investment made by taxpayers.

**Shutting Down Dead Banks:** Anglo Irish Bank and Irish Nationwide have no further role to play in the Irish economy. A Fine Gael Government will wind up both institutions by the end of 2011, by transferring their remaining assets and deposits to other financial institutions or other asset recovery vehicles as appropriate. Further losses incurred in this process will be shared with remaining bondholders.

**A Healthy Credit Union Movement:** Fine Gael recognises the important role of credit unions as a volunteer co-operative movement and the distinction between them and other types of financial institutions. In Government, we will establish a Commission to review the future of the credit union movement and make recommendations in relation to the most effective regulatory structure for Credit Unions, taking into account their not-for-profit mandate, their volunteer ethos and community focus, while paying due regard to the need to fully protect depositors savings and financial stability.

### **3.3 Supporting New Lending to Firms and Households**

**Mortgage Lending to First Time Buyers:** The housing market will not be recover unless First Time Buyers have access to mortgage credit to enter the market. Working with the regulatory authorities and the industry, a Fine Gael Government will encourage new funding for Irish mortgage lending again by drawing

a line under past practices and creating a new brand or status around the Irish mortgage market that puts the quality of Irish mortgages beyond any question in international markets. With this aim in mind, and drawing from best international practice, we will introduce new universal Mortgage Indemnity Insurance ('negative equity insurance') that provides security for prudent lenders and borrowers against future risks of negative equity.

**Making Sure Banks Deliver on their Lending Promises:** We will direct the new Credit Review Office to publish a delivery audit of the commitments by AIB and Bank of Ireland to make available a total of €12 billion in additional lending to small and medium enterprises in 2010 and 2011.

**A Partial Business Loan Guarantee to Support Job Creation:** To get banks lending again to industry and entrepreneurs, a Fine Gael Government will implement a temporary, partial credit guarantee scheme that will provide a level of insurance to the banks against losses on qualifying loans to job-creating firms.

**Micro Finance Start-Up Fund:** Drawing from funding from the NPRF and private institutional funds, we will construct a €100 million Microfinance Start-Up Fund which will provide start-up loans and equity to new businesses. Private not-for-profit organisations like First Step, Chambers of Commerce or Local Business Units in the City and County Councils could apply for capital from the Fund for investment in local start-ups, as part of a necessary move away from non-repayable grants.

**Financing for High-Tech, High-Potential Firms:** We also support the development of a more dynamic, venture capital industry in Ireland by attracting top-tier venture financing and investment companies to Ireland, as recommended by the Report of the Innovation Taskforce. To begin, we will seek negotiations with Silicon Valley Bank to entice it to establish offices in Ireland. We will also fix the regulatory problems to allow private pension funds to invest more in Irish business.

### 3.4 Supporting Families and Businesses in Debt Distress

**Debt Responsibility:** A Fine Gael Government will expect every family and every business to do everything possible to service their debts, and will not ask others to pay the debts of the reckless and dishonest. A mass Government-imposed mortgage debt forgiveness scheme would close down new lending for First Time Buyers and further raise interest rates for families on variable rate mortgages. Where, however, families and businesses have made best efforts and find themselves unable to service their debts, we will support them through the recession and help re-integrate them back into the economy.

**Helping Families in Mortgage Arrears:** We will ensure that funding for the means-tested Mortgage Interest Supplement scheme can adequately cover families in need by capping the interest charged by lenders benefitting from this scheme at the ECB base rate plus 1%, or the contracted mortgage rate, whichever is lower. To improve uniformity of access and speed of processing applications, we will centralise its administration under our proposed single Payments and Entitlements Service.

**Banning Penalty Interest on Re-Structured Mortgages:** We will legislate, if necessary, to stop mortgage lenders charging penalty interest rates (or forcing families to give up their low-cost tracker mortgage rates) on mortgages that have been rescheduled (i.e. the payment term lengthened) where the borrower has co-operated with the lender in agreeing a new, sustainable re-payment plan.

**Mortgage Interest Relief:** We will increase mortgage interest relief to 30% for First Time Buyers in 2004-08 (from the current sliding scale of 20% to 25% depending on the year the mortgage was taken out), financed in part by bringing forward the abolition of relief for new buyers from June 2011.

**Deferred Interest:** We will require banks in receipt of State support to give homeowners every chance to renegotiate the terms of their mortgage to avoid repossession during difficult times. For example, as recommended by the Mortgage Arrears and Personal Debt Group (November 2010), we will require

all mortgage lenders to offer distressed home-owners a Deferred Interest Scheme (DIS) that enables borrowers who can pay at least 66% of their mortgage interest (but less than the full interest) to defer payment of the unpaid interest for up to five years.

**Trading Down:** For some mortgage holders that are in negative equity, trading down would produce a reduction in mortgage debt and more affordable monthly payments. We will work with the Financial Regulator and the industry to facilitate trading down and “negative equity mortgages” by borrowers in this situation. Such options would have to be in the customers’ best interest.

**Using Pension Savings to Ease Debt Distress:** Many middle-aged home-owners and / or owners of small businesses have generally-funded personal pension schemes, but are facing difficulties in servicing mortgages or other current financial obligations. A Fine Gael Government will amend pensions legislation to allowing defined contribution pension savers to access funds early, subject to reasonable limits, to meet their current business and personal responsibilities (while taxing the draw-downs).

**A New Insolvency Regime for the Financially Responsible:** Bar the most extreme cases, bankruptcy reflects the failure of the system. Where common sense is applied to most debtors’ circumstances, there is no need or point to making someone a bankrupt. The sale of non-essential assets should be a part of any arrangement made between a debtor and their creditors. Once the ability to provide for creditors from the income of the debtor through a Debt Settlement Agreement is taken into account and the proceeds from the sale non-essential assets are distributed there should be no need to go any further in most cases.

But where this is not possible, Irish bankruptcy laws must be updated. They currently are impractical, unused, excessively costly and overly penal. A Fine Gael Government will fast-track the reforms needed to bring us into line with best international standards, focusing on the following elements:

- Reducing the time to discharge from bankruptcy from six years to one for **“honest bankrupts”**, defined as one that has materially complied with the Tax, NAMA and Companies Acts among others;
- **A Non-Judicial Debt Settlement System** that will change bankruptcy from a judicial to an administrative process, with filings being made with a new Debt Settlement Office within the Courts Service without the need for legal representation;
- **New Commercial Voluntary Arrangements (CVAs)**, which are legally binding arrangements between the directors of a company and their creditors (at least 75%) that would protect the debtor from interest charges and the threat of enforcement during the period of the life of the CVA;
- **A Limited Residence and Personal Assets Safe Harbour** that will permit a bankrupt to ring fence from the bankruptcy process ownership of a principal private residence (within limits based on size, value and family numbers) and specified personal assets not to exceed €40,000 in value; and
- **A Prohibition against Discrimination against Discharged Bankrupts** to ensure that former bankrupts are treated fairly in their applications for credit or other services.

### 3.5 Making NAMA a Credible Vehicle for Recovery

A new Fine Gael Government will make a number of changes to the way NAMA works to help reduce taxpayer exposures and to kick-start the economy.

**Stopping Further Asset Transfers to NAMA:** We do not believe that transferring the land and development loans of Irish banks of less than €20 million to NAMA is in the best interests of the Irish economy, and will seek a mandate from the Irish people to renegotiate this element of the Programme of Support from the IMF and EU. As an alternative, we will force Irish banks to take loss provisions against these loans similar to the haircuts that would have been applied by NAMA. This offers the advantage of forcing the banks to recognise their potential losses, as well as significant upside potential for new investors in Irish banks. It also provides a more manageable administrative system for loans of this relatively small scale.

**Kick-Starting the Property Market:** Getting the property market functioning properly again is a condition of strong economic recovery. This will require NAMA to dispose of property assets secured from developers in default of their loans into the private sector as quickly as possible. We are open to considering new types of investment vehicles – such as U.S. style Real Estate Investment Trusts – that can help create a new, liquid investment market in commercial property for Irish pension funds and smaller investors.

**Reintroducing Diversity and Competition into the Property Market:** We will force NAMA to outsource management of at least 70% of its assets to 3-4 competing private asset management companies.

**Exposing NAMA to Public Scrutiny:** A Fine Gael Government will strengthen the transparency of NAMA's operations and its management of the assets paid for by the taxpayer. The details of all non-performing loans acquired by NAMA will be available for scrutiny on a Public Register, including the names of the creditors, the price paid by the taxpayer for the loans and the actions taken by NAMA to recover the loans. Persons that have defaulted on loans acquired by NAMA will be banned from ever purchasing any asset from NAMA.

### **3.6 Never Again Will Banks Be Allowed to Ransom the Irish State**

**Punishment for Financial crimes:** Fine Gael will ensure that rogue bankers are pursued for their crimes and that the full rigours of the law will apply to them, and the courts will have the powers necessary to impose appropriate fines and jail sentences. We will enact a new consolidated and reformed anti-corruption law to punish white collar crime and end the impunity from consequences for corporate behaviour that has threatened the economy. We will ensure that the Office of the Director of Corporate Enforcement has sufficient resources to tackle White Collar Crime

**Stronger Regulation of Financial Institutions:** We will strengthen the financial regulatory regime by funding the planned increase in staffing levels. We will, before the end of 2011, commission an independent benchmarking of the quality of Ireland's reformed banking supervision regime as against best global practice.

**Higher, Loss Absorbing Bank Capital to Protect Taxpayers and Depositors:** We will raise core equity capital requirements for systemically important banks on a permanent basis. This will provide a greater buffer against banking losses before external intervention is required. To be counted as capital, "hybrid" debt instruments issued by Irish banks, such as sub-ordinated bonds, must include clear mechanisms for taking losses, either through write-downs or conversions into equity, without winding down the entire bank.

**Structural Reforms to Make Banking Safer:** We will legislate, consistent with emerging EU frameworks in this area, to give the Financial Regulator additional "bank resolution powers" to take over and wind down banks that threaten financial stability, with losses being absorbed by investors and bond-holders before the taxpayer. Fine Gael will consider new legislation to separate more risky, speculative financial activities from the traditional banking activities of taking deposits and lending to enterprise. Fine Gael will also intervene directly to stop banks from encouraging risky lending in the way they pay senior executives.

**Bank Levy / Dividends:** As banks return to profitability and private ownership, we will target additional contributions from the sector to repay the Irish taxpayer for the cost of the bank bail-outs. Initially, these contributions will be in the form of dividends, but will over time be restructured into an additional bank levy on the types of transient funding sources of the Irish banks that have caused so much instability.

### 3.7 Strengthening Confidence in Independent Audit of Banks

**Public Scrutiny of Audit Firms:** To give the Oireachtas and the public confidence that auditors are doing their job properly, a Fine Gael Government will mandate the Irish Auditing and Accounting Supervisory Authority (the independent regulator of the audit profession in Ireland) to publish their conclusions from their annual inspections of individual audit firms in respect of public interest entities.

**Shareholder Approval of Auditors:** To emphasise the primacy of shareholders, in particular over management, in the appointment of auditors to financial institutions in receipt of State support, that audit committee chairpersons be required to propose at each AGM the appointment of the auditor and to set out their reasons for doing so. We will also make it a standard practice that auditors should answer questions to shareholders at the Annual General Meeting of public companies. We will also require the audit committee of banks and other Public Interest Entities to evaluate the effectiveness and competence of the auditor every three years and set out for shareholders how they have done so.

**Regulator Veto over Audit Appointments:** For systemically important institutions (e.g. the banks) we will legislate to give the Financial Regulator a right of veto over the banks' choice as auditor. We also commit to implementing other proposals that are finalised at EU level on strengthening the future role of auditors.



## 4. Children, Older People and the Family

### 4.1 Protecting Our Children

**Referendum:** As a priority Fine Gael will ensure children's rights are strengthened through a Constitutional referendum.

**Reforming Child Protection Services:** Fine Gael will fundamentally reform the delivery of child protection and welfare services to achieve a better and more effective service for children that is fully accountable to the Dáil. We will enact legislation that will significantly increase the power and function of the Office of the Minister for Children and Youth Affairs.

**Children First:** Fine Gael will put the *Children First* national guidelines on the protection and welfare of children, that apply to individuals and agencies dealing with children, on a statutory footing so that they are effectively and consistently implemented throughout the State.

**Ryan Report:** Fine Gael will implement the recommendations of the Ryan Report which revealed the horrific wrong-doings perpetrated against children living in residential institutions, so that we give the highest priority to the care of children, especially those in the care of the State.

**Vetting:** We will enact legislation to facilitate the use of soft information in vetting individuals working with children. We will also seek a review of the Garda Vetting Unit with a view to improving application processing times.

**Child Benefit:** Fine Gael will implement a rebalanced and integrated "Child Income Support" with both universal and targeted components to make the system of child support better targeted at child poverty.

**Early Childhood Education:** As public sector reform savings are achieved through our *Reinventing Government* plan, we will invest in an early childhood education programme called 'First Steps', for disadvantaged children, building on existing targeted pre-school supports for families most in need of assistance.

**Pre-School Year:** Fine Gael will maintain the free pre-school year in Early Childhood Care and Education to promote the best outcomes for children and families.

**Childcare:** Fine Gael will examine ways to reduce the cost of childcare to ease the burden on working families.

**Obesity:** Fine Gael recognises the challenge posed by obesity among children and young people and will seek to develop a series of health and education initiatives to combat this.

**National Children's Strategy:** Fine Gael will review and update the National Children's Strategy 2000-2010.

### 4.2 Prioritising Older People

In preparation for the longer term needs of an ageing society, Fine Gael is committed to supporting older people and ensuring that they are treated fairly and looked after to a high standard.

**Positive Ageing:** Fine Gael will complete and implement the National Positive Ageing Strategy so that older people are recognised, supported and enabled to live independent full lives. This will include important matters such as age discrimination, elder abuse, encouraging volunteerism in the community as well as the issues outlined below.

**Income:** Fine Gael will not cut the Old Age Contributory or Non-Contributory Pension.

**Care in the Community:** Nursing homes should be the option of last resort. To help older people stay in their own homes, Fine Gael will ensure that the eligibility criteria for the home help and the Home Care Package Schemes are applied fairly and consistently across the country.

**Nursing Home Support Scheme:** Fine Gael will seek to address the anomalies in the Nursing Home Support Scheme such as the level of care services available under the Scheme, including physiotherapy, occupational therapy and chiropody for example. We will also provide clarification around the definition of a “sudden illness” for the application of the three-year cap to farms and small businesses.

**Pensions and Retirement:** Fine Gael will fundamentally reform the pension system to set Ireland on a path to achieve universal coverage, more generous supports for the lower paid, greater equity between public and private sector workers, lower costs, lower risks for individual savers and more flexible retirement arrangements. Fine Gael will increase the age at which people qualify for the State Pension to 66 years in 2014, in line with the existing EU/IMF agreement.

**Health:** *FairCare* will radically reform the health service and introduce Universal Health Insurance for all. This will end the unfair two-tier system so that access to health care will be on the basis of need, not on ability to pay. *FairCare* will also improve community based services so that people are supported in living in their own home for as long as they wish. These services will include home help, home care packages and carers services.

**Fuel Poverty:** Fine Gael will protect and maintain the Warmer Home Scheme to retrofit low income housing for greater energy efficiency. We will produce a national strategy to address energy poverty, with a specific focus on conservation, pricing and income support with a targeted approach and a timeframe for delivery. We will also target energy costs with a view to squeezing the energy companies and the regulator to provide cheaper energy in the coming years in order to tackle fuel poverty.

**Transport:** In any reform of rural transport services, Fine Gael will continue to support the needs of older people particularly those living in isolated rural communities.

**Participation:** In Government, Fine Gael will engage with senior citizens in the development of policies that affect their lives.

**Knowledge Economy:** Fine Gael supports the concept of the “*silent knowledge economy*” and will encourage retired skilled people to provide mentoring or expert services to those who can benefit from their experience.

## 4.3 Protecting the Family

**Supporting Marriage:** Fine Gael recognises the value of the family based on the institution of marriage.

**Tax and Social Welfare:** Our tax, social welfare and other laws should not discourage people from getting married. Currently, our social welfare system does. Two single people who are on social welfare lose substantial benefits if they marry. Addressing the ‘marriage penalty’ in social welfare would be very expensive if done in one go but when social welfare rates start to increase again, a Fine Gael Government will steadily remove the penalty.

**Reforming the One Parent Family Payment:** Single mothers lose the One Parent Family Payment if they marry. Over time, we will transform it into a family income-based payment that does not discourage marriage or work.

**Home Carers' Tax Credit:** We will not cut the 'Home Carers Tax Credit'.

**European Court of Human Rights Judgement on Abortion:** We will establish an all-party committee, with access to medical and legal expertise, to consider the implications of the recent ruling of the ECHR and to make recommendations. Such a process would, we believe, be the best way of examining the issues in a way that respects the range of sincerely-held views on this matter.

**Regulation of Embryo Research:** We will legislate to regulate human embryo research.

**Regulation of Assisted Human Reproduction:** We will legislate to regulate Assisted Human Reproduction services.

**Maternity/Paternity Leave:** We will review maternity leave to permit parents to share leave entitlements, recognising the changing needs of modern families.

**Family Law Reform:** We will modernise and reform outdated elements of family law.

## 5. Community and Rural Affairs

Fine Gael believes that strong and vibrant urban and rural communities are a vital foundation for the return to growth and prosperity of our nation. We are committed to ensuring that local communities are sustained with fair access to services, a sense of inclusion and the security of a safe environment.

### 5.1 Active Citizenship and the Community and Voluntary Sector

**Community and Voluntary Groups:** Fine Gael is committed to ensuring that we have an active, engaged citizenry and a vibrant community and voluntary sector that works in partnership with Government to create a fairer and a better Ireland. Policy makers in countries at the cutting edge of public service modernisation are also broadening their thinking to assess the case for working with the independent sector and “social entrepreneurs” to address with earlier interventions some of the thorniest social problems linked to billions of euros in public spending. In Government, we will ensure that the following programme will be put in place:

- Support for social enterprises to engage in the public procurement and public sector contract opportunities, as is the case in Italy, the UK, and France
- A strategy to support the acquisition of assets to community trusts which would assist communities to generate income, and
- An instruction from central Government to State agencies to view social enterprises as important stakeholders in regenerating local economies

We will continue support for social innovation projects for young people through our education, community and voluntary structures.

**Social Investment Bonds:** We will introduce a new model of financing called ‘Social Investment Bonds’ that share audited exchequer savings with community and voluntary organisations for social programmes delivered by them. We will pilot the use of Social Investment Bonds to help voluntary bodies to finance interventions that cut rates of homelessness and re-imprisonment by re-integrating ex prisoners into society and the workforce.

**Charity Regulatory Authority:** Fine Gael is fully committed to full implementation of the Charities Act 2009 and the establishment of the Charity Authority during the life of the next Government.

**Philanthropy:** Fine Gael recognises that philanthropy plays a crucial role in supporting a robust community and voluntary sector and is committed to developing a fiscal and regulatory infrastructure that encourages philanthropy. This will be done by

- Renewing the mandate of the Forum on Philanthropy under the chairmanship of the Department of the Taoiseach;
- The creation of a Government strategy for the sector that supports research, funding of the sector, ongoing review of the tax code, the promotion of philanthropy amongst ordinary citizens as well as high net worth individuals and corporations, and facilitating stronger links between Government, the community and voluntary sector and the business community. It will be based on international best practice and widespread consultation.

### 5.2 Jobs in the Community

**Local Enterprise Initiatives:** We will promote alternative locally-based enterprises for rural dwellers, particularly part-time farmers. We will also target rural development funding to economic activities which

have strong growth potential such as energy projects, micro enterprises such as specialist food production and sustainable tourism projects.

**One Stop Shop for Businesses:** We will support the creation of jobs and businesses locally through the creation of a one-stop-shop in rural regions for business supports, advice and needs.

**Broadband:** We recognise that poor broadband connectivity, particularly in rural regions has prevented rural enterprises from doing business efficiently. Our NewERA policy has outlined a plan to rollout next generation broadband to homes and business across Ireland.

### 5.3 Keeping Communities Vibrant

**Post Offices:** Fine Gael will ensure the network of post offices around the country are maintained and communities have access to adequate postal services in their locality.

**Emigration:** Employment is key to halting the new wave of emigration that is resulting in the desertion of our communities. Fine Gael's focus in Government will be job creation, providing new opportunities for young and old to live and work in their own communities.

**Rural Activities:** Fine Gael will reverse the ban on stag hunting.

**Supporting Irish Pubs:** Fine Gael recognises the importance of the Irish pub for tourism, rural jobs and as a social outlet in communities across the country. We will support the local pub by banning the practice of below cost selling on alcohol, particularly by large supermarkets and the impact this has had on alcohol consumption and the viability of pubs.

### 5.4 Community Services

**Community and Rural Transport Services:** We will maintain and expand the rural transport network as a reliable and sustainable transport service that is vital for rural communities. We will also integrate the school transport and non-emergency HSE transport with the Rural Transport Programme locally as much as is practicable.

**Development of Health Care in the Community:** In Government, we will develop a comprehensive network of new Primary Care centres to serve our communities. Special incentives for disadvantaged areas will be considered.

**Home Supports:** Fine Gael will develop support services for individuals in their own home so that home help, home care packages and meals on wheels services are improved.

**Community Gardaí and Rural Policing:** Fine Gael will put an increased emphasis on Community Gardaí and encourage members to live in the communities they serve. We do not believe that the closure of rural Garda stations will deliver any significant savings to the State.

**Community Supports for Older People:** Fine Gael will continue community supports for elderly people living alone, particularly those living in isolation in rural areas.

**Government Supports for Traveller Communities:** We will adopt greater co-ordination and integration to the delivery of services to the Traveller community across all Government departments, using available resources more effectively to deliver on the principles of social inclusion, particularly in the area of Traveller education.

## 6. Crime, Justice and Drugs

Fianna Fáil has failed the Irish people on law and order. Our money is being wasted by putting the wrong people in jail while violent criminals and drugs thugs walk free.

Drugs are the reason for the increase in gun murders and mayhem on our streets, home burglaries, and robberies from people going about their daily lives. Fine Gael will ensure that taxpayer's money is spent on cleaning up crime by intelligent sentencing and efficient policing.

### 6.1 Confronting White Collar Crime

**Financial Crimes:** Fine Gael will ensure that rogue bankers and all those that misappropriate or embezzle funds are properly pursued for their crimes and that the full rigours of the law will apply to them. We will give the courts the powers necessary to impose appropriate fines and jail sentences.

**Anti-Corruption Law:** We will enact a new consolidated and reformed anti-corruption law to punish white collar crime and end the impunity from consequences for corporate behaviour that threatens the economy.

### 6.2 Stopping the Gang Empires

**Anti-Gang Laws:** Fianna Fáil introduced laws to take gangs off the street and, 18 months later, not a single person has been imprisoned under that law. Fine Gael is serious about breaking up organised crime gangs and taking them off the streets and will ensure that anti-gang laws are fully implemented.

**End of Drug Empires in Prison:** Fine Gael will crack down on the use of drugs and mobile telephones in prisons. We will ensure that those who violate prison regulations by the use or possession of mobile phones in prison, are deprived of their remission and are prosecuted before the courts with the possibility of serving additional sentences.

**Stop Criminals Getting Off on Technicalities:** We will reform the rules of evidence to ensure that Gardaí have maximum power within the Constitution to collect evidence to prosecute crimes.

### 6.3 Prisons and Sentencing

**Thornton Hall:** We will revisit the proposal to build a new prison at Thornton Hall and consider alternatives to avoid the enormous cost yet to be incurred by the state in building a new prison. The total cost to the state of the proposed prison has been €43 million to date and not even the perimeter wall has been built.

**Sentencing Reform:** We will overhaul current sentencing practices to ensure violent criminals serve their full term in prison. We will end the cost to the taxpayer of short term sentences, which lead to high rates of re-offending, and use more cost effective and community based methods of punishing offending. We will end the practice of imprisoning people who cannot pay their fines and debts and introduce a system which takes a small amount of money from a persons' wages or social welfare by an "attachment order" to pay off the fine or debt over time.

**Offender Management:** We will merge the Probation Service and the Irish Prison Service to provide an end-to-end offender management system and to reduce administrative costs.

**End of Automatic Remission:** Fine Gael will ensure prisoner remission is earned, based on good behaviour, participation in education and training and completion of addiction treatment programmes and, where appropriate, sex offender programmes.

**Tagging Sex Offenders:** In 2011, nearly 100 sex offenders will leave prison, only 22 of whom will have had rehabilitative therapy. Fine Gael will provide for electronic tagging for high risk sex offenders on their release from prison to reduce the risk of reoffending.

## 6.4 Strong and Efficient Policing

**DNA Database:** A DNA Database will be established to assist the Gardaí in the investigation of serious crime, such as homicides and sexual offences. The database will also be utilised to enhance cooperation within the EU in the area of asylum and immigration.

**Ending the Waste of Police Time on Administration:** Fine Gael will ensure that administrative duties are carried out by civilian staff in order to free up highly trained Gardaí for preventing and detecting crime. We will, for example, stop the practice of highly trained Gardaí checking passports at airports, and will transfer this function to the Irish Naturalisation and Immigration Service. This will also free up members of the Gardaí to engage in community policing.

**Ending the Waste of Police Time in Court:** Gardaí spend too much of their time in Court, instead of out on our streets protecting our communities. Fine Gael will introduce a new prosecution system that reduces the number of Gardaí detained in the courts.

**Community Gardaí:** Fine Gael will put an increased emphasis on Community Gardaí and encourage members to live in the communities they serve.

## 6.5 Judiciary and Courts

**Judicial Pay and Expenses:** As part of wider changes to improve the way our Government works, we will introduce a constitutional amendment to allow the Government to reduce the pay of the judiciary as a whole in line with other public sector reductions. We will also provide a modern and reformed framework for judicial expenses.

**Judicial Council:** Fine Gael will establish a Judicial Council to provide for accountability for the judiciary and to provide a mechanism to address alleged judicial misbehaviour.

**Criminal Legal Aid:** Fine Gael will close the loopholes that allow wealthy criminals to avail of criminal legal aid and will empower the Criminal Assets Bureau to pursue convicted criminals with extensive assets for any legal aid costs awarded to them.

**Family Law:** Fine Gael will propose a constitutional amendment to allow for the establishment of a distinct and separate system of family courts to streamline family law court processes and make them more efficient.

**Mediation:** Fine Gael will take the steps necessary to encourage and facilitate the use of mediation to resolve commercial, civil and family disputes in order to speed up the resolution of such disputes, reduce legal costs and ameliorate the stress of being involved in contested court proceedings.

**Commercial Disputes:** Fine Gael will provide a civil commercial court to facilitate speedy resolution of disputes at Circuit Court level, where the monies in dispute do not warrant use of the High Court jurisdiction.

**Settlements for Serious Injuries:** Fine Gael will enact legislation to facilitate courts making provision for structured settlements in circumstances where damages are currently awarded as a consequence of individuals suffering catastrophic injury because of the negligence of another. This will provide certainty over time to the injured party.



## 6.6 Law Reform

**Victims' Rights:** Fine Gael will enact legislation strengthening the rights of victims of crime.

**Immigration and Asylum:** Fine Gael will bring into force comprehensive reforms dealing with immigration, residency and asylum issues which will include provision of a statutory appeals system to ensure we comply with best international standards and bring to an end the enormous waste of public funds resulting from delays in processing applications and expensive court actions taken against the state.

**Domestic Violence:** We will introduce consolidated and reformed domestic violence legislation to address all aspects of domestic violence, threatened violence and intimidation in a manner which provides protection to victims.

**Modernising and Reforming the Legal Profession:** Fine Gael will establish independent regulation of the legal professions to improve access and competition, to make costs more transparent and to ensure adequate procedures for addressing consumer complaints.

## 6.7. Drugs, Addiction and Illegal Smuggling

**National Addiction Strategy:** We will publish a National Addiction Strategy that deals with both drugs and alcohol addiction. We consider the first step in implementing a successful strategy will be to outline key priorities for short-term implementation underpinned by a realistic timeframe and targets.

**Using Drugs Funding More Effectively:** We will ensure that every Government Department, Agency or task forces responsible for implementing elements of the National Addiction Strategy will be required to account to the Minister for their budget annually and demonstrate progress on achieving targets.

**Education:** We work with Local and Regional Drug Task Forces to implement effective programmes aimed at preventing addiction in schools. We will require all local and regional drugs taskforces to build on the success of Education Prevention Units in other taskforces. These Units offer training and information to teachers and schools and liaise with local HSE Drug Education Workers to support schools in a dedicated Alcohol and Drug Awareness Programme. We will update outdated drugs awareness programmes in schools to reflect the current attitudes and reality of recreational drug use amongst teens.

**Voluntary Drug Testing:** We will introduce a voluntary drug testing code in schools where the boards of management, teachers, parents and pupils agree to take action to prevent the infiltration of drugs on school premises. Schools will be recognised for being drug free.

**Rehabilitation:** Fine Gael is committed to targeting resources to increasing the number of needle exchange programmes and rehabilitation places across the country where it is needed most.

**Community Employment Schemes:** We will assist drug users in rehabilitation through participation in suitable local community employment (CE) schemes.

**Stopping Drugs at Source:** We will cut off the drug supply at the source by providing an x-ray scanner at major ports; greater patrols along the coastline and by increasing the presence of Customs officers at Ireland's smaller airports.

**International Co-operation:** We will strengthen cooperation with the European Monitoring Centre for Drugs and Drug Addiction in Lisbon (EMCDDA) and develop cross border initiatives to track drug dealers travelling in and out of the country.

**Tobacco Smuggling:** Cigarette smuggling costs the Irish economy €556 million each year in lost revenue

and is a cash cow for criminal gangs. Fine Gael will increase the penalty for tobacco smuggling to 10 years in jail and stop illegal smuggling with the x-ray machines at ports, funded by tobacco companies.

**Roadside Drug Testing:** We will investigate roadside drug testing programmes in other jurisdictions with a view to developing a system here to combat the problem of drug driving.

**End of Drug Empires in Prison:** Fine Gael will introduce x-ray scanners to all prisons to screen people and goods entering prisons to stop the flow of drugs and mobile telephones into prisons. We will immediately start using mobile signal blocking technology, which is already regularly and easily used in cinemas all over the country, to stop mobile being used in prisons.

**Dublin Drugs Treatment Court:** We will carry out a full review of the Drug Treatment Court Programme (DTC) to evaluate its success and potential in dealing with young offenders identified as having a serious problem with drugs.

## 7. Defence

Fine Gael recognises the substantial contribution made by the Defence Forces both domestically, in providing aid to the civil power and civil authority, and internationally, in UN mandated peace support for over fifty years.

Fine Gael's Defence policy is built on key principles – maintaining the rule of law and the authority of the state from all challenges, ensuring Ireland's active participation in peace support missions, and delivering an effective, highly trained Defence Forces capable of fulfilling all roles given to it by the Government.

### 7.1 Overall Defence Policy

**Security and Defence:** Fine Gael wants Ireland to get involved in the construction of a new European security system at an early stage so that we can join and influence it on our terms. We want any EU common security and defence system to be guided by five key principles:

1. The commitment to adhere to the fundamental principles of the United Nations (UN);
2. The commitment to the pursuit of universal nuclear and biological disarmament, and a promise never to use either type of weapon;
3. The commitment to providing peacekeeping and peacemaking operations;
4. The commitment to respect the right of other EU States to enter other military alliances, or to be neutral, as they choose.
5. The right of Ireland to opt-in and opt-out of aspects of a mutual defence and security system on a case-by-case basis.

**Defence Industry:** We will explore with the European Security and Innovation Forum (Esrif) the scope for increasing the Defence and Security Industry in Ireland to supply items such as hardware and information technology to police forces, civil aviation, maritime, emergency services and the Defence sector. We will impose strict controls as to what can be manufactured and the markets to which it can be sold.

**Prohibition of Use of Weaponry:** We will enact a single Act listing the types of weaponry the Irish Defence Forces are prohibiting from using or facilitating the use of. These will include cluster munitions, depleted uranium weaponry, anti-personnel landmines, and nuclear weapons.

**Emergency Planning:** We will streamline the approach to emergency planning to improve Ireland's preparedness and capacity to cope with emergencies.

**Medical Services in the Defence Forces:** We will implement as much as feasible of the Defence Forces Medical Services Review as resources allow.

**Women in the Defence Forces:** Our aim is that at least 10% of the Defence Forces will be women and we will put policies in place to encourage female recruitment.

**Decentralisation:** We will review the process of decentralisation of the Department of Defence and Military Headquarters.

**Commemorations and Ceremonial:** We support the participation of the Defence Forces in ceremonies commemorating the 1916 Easter Rising and in events leading up to the centenary of the Rising.

### 7.2 Permanent and Reserve Defence Forces

**Barracks Closures:** Closed barracks that are currently unsold will, where possible, be used for appropriate State or community uses, government offices and agencies.

**Overseas Missions:** We believe that the Triple Lock must be modified to allow Ireland participate in peacekeeping missions. The failure of the UN Security Council to pass a resolution should not prevent us from taking part in overseas missions. We believe that Irish troops should be capable of being deployed at short notice, if requested, to assist in emergency relief efforts at times of humanitarian crises.

**Army Equitation School:** We support the continued existence of the Army Equitation School and in government will use the Equitation School to showcase the Irish sport horse industry.

**Michael Collins Medal:** To commemorate the forthcoming centenary of the creation of the Irish Volunteers, we will strike a medal named after General Michael Collins and will discuss with military authorities the nature of the award and to whom it should be given.

**Reserve Defence Force:** We recognise the importance of the Reserve Defence Forces within communities, including the Naval Reserve. In Government, we will review the process of integration between the Reserve and Permanent Defence Forces. We will amend the appropriate legislation to provide postal votes to RDF members who may for RDF-related reasons, missions or events be unable to cast their votes in their local polling stations.

### 7.3 Air Corps

**Drug Interdiction:** We will maximise the resources available to the Air Corps to target the illegal importation of drugs into Ireland.

**Ministerial Air Transport Service (MATS):** We will introduce a new code of practice for the use of the government jet ensuring cost effective and transparent travel. To stamp out any abuse, cheaper commercial alternatives must be taken when possible.

### 7.4 Naval Service

**Flotilla:** We support the replacement of two ships in the Naval Flotilla that have exceeded their maritime lifespan, subject to fiscal constraints and safety and operational needs.

**EU Intelligence:** We support Ireland's continuing involvement with the Maritime Analysis and Operations Centre-Narcotics, based in Lisbon which focuses on intelligence exchange amongst States to tackle drug shipments by sea and air.

**Civil Defence:** We strongly support the work of the civil defence and will ensure a close working relationship between civil defence and the military as required

### 7.5 Red Cross

**Red Cross:** Fine Gael supports the initiation of a detailed legal review of the basis, structures and governance of the Red Cross in Ireland to improve its functioning in the light of changing circumstances.

## 8. Disability

Fine Gael will ensure that the quality of life for people with disabilities is enhanced and that resources allocated reach the people who need them. To achieve this, we must reform the delivery of public service to bring about the back room savings that will protect front line services

### 8.1 Income Support and Independence

**Income Support:** We will retain disability and blind payments at the current rate. Fine Gael will also facilitate people with disabilities in achieving a greater level of participation in employment, training and education.

**Personal Budgets:** Fine Gael will give adults and children with disabilities and their families the option of needs-based Personal Care Budgets so that they have much greater choice and control over the services they need. Personal budgets introduce greater transparency and efficiency in funding so that service providers only get paid for the services they deliver.

### 8.2 International Obligations

**UN Convention:** In order to make sure that the legislation on decision making is clear and that the rights of people with disabilities are protected and promoted, Fine Gael will update the mental capacity legislation as quickly as possible to allow for the ratification of the UN Convention on the Rights of Persons with Disabilities.

### 8.3 Improved Services for People with Disabilities

**Disability Strategy:** Following consultation with all stakeholders, Fine Gael will publish a realistic implementation plan for the National Disability Strategy, including the Disability Act, EPSEN Act and sectoral plans, which will include achievable timescales and targets. We will ensure whole-of-government involvement and monitoring of the Strategy, in partnership with the disability sector.

**Irish Sign Language:** Fine Gael will examine different mechanisms to enhance the recognition of Irish Sign Language.

**Standards and Inspection:** Fine Gael will ensure that national standards apply to residential services for adults and children with disabilities and that these are independently inspected by the Health Information and Quality Authority.

**Transparency:** Fine Gael will ensure that money spent on disability services under the National Disability Strategy will be clearly laid out and audited.

**Universal Design:** In planning legislation, Fine Gael will promote and support universal design whereby all environments can be used to the greatest extent possible by all people, regardless of age, ability or disability.

## 9. Education

Achieving the highest possible standards of education will be at the heart of Ireland's long-term economic prosperity. Unfortunately, the latest international studies indicate a fall off in educational outcomes in Ireland compared to other countries, with a major decline in performance over the last decade. This fall off in standards places Ireland's future economic progress at risk. Finland, on the other hand, shares some things in common with Ireland but is driving ahead in education performance. A deep recession in the 1990s led to a transformation of the Finnish education system. We will draw from this success by prioritising two key fundamentals to strengthen our schools; teacher quality and local autonomy. Fine Gael will prioritise the frontline and support schools to inspire and equip the next generation with the skills and knowledge needed to rebuild our country's future.

### 9.1 Protecting the Frontline

**Class Sizes:** As we cut spending levels across all Departments, Fine Gael's priority is to protect the quality of the educational experience received by our children. We will not increase class sizes.

**Efficient Work Practices:** In order to avoid further increases in class sizes, we will work with the education partners to seek further efficiencies in work practices – in line with the Croke Park Agreement – and to devolve more power to school principals and teachers to make tight budgets go further.

### 9.2 Parental Choice in Education

**Parental Choice:** Fine Gael will give parents a real say in how schools are governed. We believe the current situation with over 90% of primary schools under Church patronage is not reflective of the needs of a modern Irish school system. We will hold a National Forum on Education to allow all stakeholders, including parents to engage in an open debate on a change of patronage in communities where it is appropriate and necessary.

### 9.3 Early Intervention

**Pre-School Year:** Fine Gael will maintain the free pre-school year in Early Childhood Care and Education to promote the best outcomes for children and families.

**Investing Early in First Steps:** As public sector reform savings are achieved through our Reinventing Government plan, we will invest a proportion of these significant savings in an early childhood education programme called 'First Steps', for disadvantaged children, building on existing targeted pre-school supports for families most in need of assistance.

**Special Needs:** We will publish a plan for the implementation of the EPSEN Act 2004 to prioritise access for children with special needs to an individual education plan. We support diversity in the education of children with special needs, recognising that both intensive education and mainstreaming can be seen to work for individual children.

**Autism:** Fine Gael recognises the critical importance of early diagnosis and intervention and will address the current deficits in this area.

**Speech and Language Therapy:** Our FairCare plan will revolutionise the health service and will ultimately result in better and earlier access for children to speech and language services as required through the provision of primary care centres.

## 9.4 Building Schools for the Future

**School Inventory:** The building programme has been open to politicisation and has been fundamentally lacking in transparency. Fine Gael will overhaul the Department's central database of school accommodation to ensure a complete inventory of school buildings and associated structures is maintained so that deficiencies are easily identifiable.

**Local Control:** We will pilot the devolution of an annual capital budget to schools to allow schools to plan for capital projects on a multi-annual basis rather than applying year on year for capital funding.

**Temporary Accommodation:** We will give the Office of Government Procurement and Property (OGPP) responsibility for the negotiation of prefab rental contracts to encourage greater value for money, transparency and reduce dependency on temporary accommodation.

## 9.5 Innovation in Education

**Greater Autonomy for Schools:** We will give greater autonomy to school principals and boards to incentivise innovation, new thinking and progressive approaches to learning and to free up restrictions in the day to day running of schools.

**21st Century Learning:** Our NewERA stimulus plan will invest in broadband development to ensure that at least 90% of homes, schools and businesses have access to fibre-powered broadband. We will seek industry support to finance and develop a range of e-learning initiatives, such as:

**Learning Lighthouses:** A pilot programme, developing 'learning lighthouses' in a number of schools where students are equipped with an iPod touch, iPad, laptop or tablet pc. Teachers in these schools will be given specialist training and the pilot will be used to test new online learning initiatives.

**Digital School:** A new Digital School Resource for all, bringing together existing resources from the National Council for Curriculum Assessment, the Department of Education and other sources, including new content developed by teachers and pupils from Lighthouse schools. We will use this online tool to develop new, cost effective approaches to learning languages from a younger age and provide schools and students with new learning methods targeting areas where we have dropped in PISA performance, such as reading and maths.

**Promoting Educational Achievement:** We will investigate ways to share expertise in education, by making valuable lessons in subjects on the curriculum available for all students online.

**Online Textbooks:** We will engage with the publishing industry to develop more online learning resources and new mediums for their learning materials.

**Technology Awards Programme:** We will establish a new awards programme for students, rewarding students who achieve use their interest in technology to develop individual or group enterprises.

**Maths Performance:** In the 2009 PISA Study, the proportion of high achievers in maths was below the OECD average and its decline was one of the biggest internationally since 2003. We will introduce a system of bonus points for maths which is linked to specific maths or science courses to encourage greater participation in courses where skills shortages currently exist.

We will also invest available resources in professional development for mathematics teachers.

**Irish Language:** Fine Gael is committed to overhauling the way in which Irish is taught at primary and



second levels of education, to ensure teachers are equipped with the right tools to instil a love of the language for all students and the curriculum is designed to inspire students to continue speaking the language after leaving school.

- We will overhaul the curriculum at second level and we will critically examine the effect of current training methods of teachers to teach. Irish as an optional subject for Leaving Certificate will only apply following consultations on both matters.
- We will allocate 50% of marks to oral Irish exams.
- We aim to double the proportion of Irish students sitting the Higher Level Leaving Certificate exam by 2018.

## 9.6 Quality and Standards

**International Success:** We will ensure that Ireland is ranked in the top ten countries for PISA by 2018.

**Quality Schools:** Fine Gael will improve the system for evaluating schools so that parents have access to more information when choosing a school for their family. We will introduce a new system of self-evaluation, requiring all schools to evaluate their own performance year on year and publish information across a wide range of criteria including extra-curricular activities, special needs education, learning support, music or drama as well as exam performance in an annual school report.

**Quality Teachers:** Fine Gael's priority in education is to recruit, train and support the highest calibre of teachers. We will investigate new policy approaches to ensure more teachers are qualified to Masters level in their area of expertise.

**Leading Learning:** We will introduce a numeracy and literacy programme for school leaders to inspire new methodologies across schools in these areas, encouraging principals to set new standards for learning at a local level in every school.

**Curriculum Reform:** It is of great concern that the school system is leading to a dependency on rote learning and is not equipping students for third level and beyond. We will review the Junior Certificate and Leaving Certificate systems in Government and outline any reforms necessary to encourage greater innovation and independent learning.

**Gifted Students:** We will examine the supports in place for gifted students and create improved links with third level institutions on a regional basis, to provide gifted students with access to new programmes or educational resources.

**Anti-bullying Policy:** We will encourage schools to develop anti-bullying policies and in particular, strategies to combat homophobic bullying to support students.

**Traveller Education:** We will adopt greater co-ordination and integration to the delivery of services to the Traveller community across all Government departments, using available resources more effectively to deliver on the principles of social inclusion, particularly in the area of Traveller education.

**Tackling Disadvantage:** The DEIS (Delivering Equality of Opportunity in Schools) programme, which aims to overcome disadvantage in education has just been reviewed by the Educational Research Centre. We will consider the recommendations of this review and use it as a platform for new initiatives to deliver better outcomes for students in our schools.

## 9.7 Children First

**Stay Safe Programme:** We will require all schools to effectively implement the mandatory Stay Safe Programme.

**Residential Redress:** We support the establishment of an Independent Trust for survivors of child abuse. We will publish the legislation underpinning this Trust without undue delay and will consult as to the best possible use of the funds involved.

## 9.8 Upskilling for Recovery

A new “One Stop Shop” for Welfare and Job and Training Referral: We will create a new ‘one stop shop’ for getting back to work, the Payments and Entitlements Service. It will provide extensive skills assessment, training guidance and job referral services to the unemployed, as well as other welfare and service entitlements (see Section 19.5). Many job-seekers will continue to be referred to existing FAS training centres and services, which will operate under a new slimmed down governance structure. Community Employment schemes will be maintained and expanded but will be managed by local authorities.

**Labour Market Activation:** A Fine Gael Government will no longer subsidise a passive welfare system that does not help people get back to work. The new Payment and Entitlements Service (PES) will offer earlier interventions to support those losing jobs to remain engaged with the labour market. Among the measures that will be introduced will be:

- A requirement on under 25s to maintain a Jobs Diary recording search experience and skill enhancement activities, with sanctions for unreasonable rejections of training and job opportunities;
- Conditionality whereby benefits will be reduced if recipients refuse offers of training, education, work experience;
- A reduction in the frequency of signing on in favour of a more meaningful schedule of engagement with Jobseekers; and
- The introduction of Training Vouchers, that empower the unemployed to define and acquire their own upskilling needs rather than relying on a State bureaucracy to decide what courses to provide.

**National Internship Programme (23,000 places):** We will subsidise part-time one-year placements in the public service, private sector and voluntary sector for unemployed graduates to gain valuable experience while studying for a masters or diploma. They will be paid the entry-level going rate and will get a €3,000 bursary to help fund their higher education. Among the positions available will be classroom and teaching assistants in schools and nursing assistants in hospitals. IDA Ireland and Enterprise Ireland will be explicitly mandated to develop 5,000 work experience placements in the companies that they support.

**Second Chance Education (17,000 places):** This will offer former retail and construction workers that did not finish school or to college ‘back to education’ placements for two years. Participants will receive a premium payment of €20 per week on top of their social welfare payment, a €500 payment towards books etc and a €3,000 completion bonus.

## 9.9 A Quality Third Level Education

**Graduate Contribution:** Fine Gael will develop a fairer funding system for third level to ensure every student has access to a high quality education. This will involve a graduate contribution from students of roughly a third of the cost of their course. The contribution will be made by new entrants to publicly-funded third level institutions after the student graduates, enters employment and reaches a defined income threshold.

**Third Level Efficiencies:** We will not increase the student registration fee further. Instead, we will pursue

greater pay and non-pay efficiencies in the third level system through greater flexibility in working arrangements, in line with the Croke Park Agreement.

**Phasing Out the Student Registration Fee:** As the student contribution model begins to return funds to the third level sector, we will phase out the student registration fee as an upfront charge.

**Student Loan System:** In the intervening period, we will establish a subsidised loan system for students and their families that are struggling to pay the student registration fee.

**Speedier Student Grant System:** We will introduce a faster and more cost effective system for paying student grants through the one-stop-shop Payments and Entitlements Service.

**Quality and Standards:** We will give students a better third level education by repositioning our universities and institutes to become world leaders in education through greater collaboration, specialisation and focus in every educational institution.

**Improved Accreditation:** We will ensure the training scandals of recent years are consigned to the past by overhauling the accreditation system for courses and providers. We will merge the existing accreditation authorities; the National Qualifications Authority, FETAC and HETAC to increase transparency.

**Applications for University Status:** We will amend the Universities Act 1997 as necessary to facilitate applications for university status.

## **9.10 Developing Ireland as an international education hub**

**Doubling Student Numbers:** We will seek to double the number of international students studying in Ireland, maximising the revenue potential of this rapidly growing, profitable global market by overhauling the student visa system, identifying key target markets and exploiting the potential of the diaspora to develop the sector. Fine Gael's *International Horizons* plan for international education aims to create at least 6,000 jobs and to double revenue in the sector to €1.8bn.

# 10. Energy and Communications

Under-developed energy and communications networks threaten to hold back Irish economic recovery. Fine Gael has outlined detailed plans on how to pay for vital investment in these areas over a five year term. If implemented these policies can make a real difference to Ireland's energy cost competitiveness, energy security, and carbon footprint.

## 10.1 NewERA – Development of Ireland's Energy Networks

**Smart Grid:** We will merge Eirgrid and ESB Networks to form an independent single state-owned company to own and manage the distribution and transmission network, to be called 'Smart Grid'. Consideration will be given to merging the gas network into Smart Grid as well. SmartGrid will be tasked with accelerating the planned investments in our electricity networks needed to exploit greater levels of renewable power sources on a technology neutral basis. It will also be charged with giving Irish consumers greater control over their energy consumption, by allowing homes and farms with micro generators to sell excess energy back into the grid and with facilitating the roll out of electric cars.

We will use the National Pension Reserve Fund, investments from public and private pension funds and the proceeds of the sale of state assets to finance the investment through *NewERA*. We will sell non-strategic assets such as Bord Gais Energy, ESB Powergen, and ESB Customer Supply. All strategic networks, distribution and hydro assets will be kept in majority state ownership, such as the gas pipelines and the electricity grid, and all sales will only take place when market conditions are amenable.

**Bio-Energy:** We will merge Coillte and Bord na Mona to form a new commercial State company *BioEnergy and Forestry Ireland* to exploit Ireland's natural advantage in biomass, engage in a 15,000ha per year afforestation programme and to facilitate a roll out of combined heat and power technology.

## 10.2 Energy Pricing and Regulation

**Lower Energy Prices:** Fine Gael will set a target of reducing electricity prices to at or below the Eurozone average within 3 years by driving efficiencies in the energy companies, reforming the PSO/ReFIT subsidy system, increasing equity investment in new infrastructure through *NewERA* and reducing capacity payments. Cheaper energy will be a vital cost competitiveness tool on the road to economic recovery.

**Peat:** Peat still plays an important role for heat requirements of many families and for Irish energy security. Recognising that a very conservative and restrictive interpretation of the Habitats Directive is now in force in Ireland, we will allow an exemption for domestic turf cutting on the 75 National Heritage Area sites, which are designated under Irish Law, subject to the introduction of an agreed environmentally national code of practice. In tandem with this, we will establish independent mediation between all relevant stakeholders with the specific objective of facilitating a resolution to the 55 SAC designated bogs. Furthermore, the independent mediation will be made available to resolve the outstanding issues associated with turf cutting on blanket bogs. It is premature to cease the cutting of turf for domestic purposes in 2011 pending the establishment of the management structures and the appointment of an independent Chairperson. We accept that peat will be phased out as a fuel for generating electricity over the next ten to fifteen years. We will support the replacement of this fuel with biomass to retain jobs in the Midlands.

**New Technologies:** We will continue to fund research into ocean energy and will support one geothermal demonstration plant.

**Energy Planning:** To keep down the cost of electricity, we ensure that future wind farms are built in locations where the wind regime is best and that they are built in large numbers or in clusters to reduce the cost of connection to the grid under a new 'plan-led' Gate 4 process as opposed to the existing 'developer led' system.

**PSO Levy:** We will review and reform the PSO levy to ensure that only the most cost-effective projects are supported by a ReFIT tariff and that the consumer can benefit from a claw-back when market prices exceed the tariff or where appropriate, a share of the profits or a royalty.

**Rationalising Regulators:** To save taxpayers' money and to streamline resources, Fine Gael will merge the Competition Authority, the National Consumer Agency (NCA), Broadcasting Authority of Ireland (BAI), the Commission for Communications Regulation (ComReg) and the Commission for Energy Regulation (CER) into a single, more powerful Competition, Consumer and Utilities Commission.

**North-East Pylons:** We will appoint an independent international expert commission to review and report, within six months, on the case for and cost of undergrounding all or part of the Meath-Tyrone 400KV power lines

### 10.3 Energy Security

**Micro Generation:** We will provide a ReFIT for micro-generators wishing to produce electricity for their own homes, farms and businesses and facilitate them selling surplus electricity to the grid. The tariff, however, will not be significantly above the single energy market price for electricity.

**Electricity Interconnection:** Fine Gael will explore the provision of an electricity interconnector with mainland Europe for security of supply.

**Strategy for Import Disruption:** Fine Gael will devise a contingency strategy for the allocation of energy resources in the event of a serious disruption of oil or gas supplies. Recent climate emergencies highlighted the problems when Government does not have plans in place to deal with the unexpected.

### 10.4 Communications

**Investing in Next Generation Broadband:** Fine Gael in Government will co-operate and co-invest with Eircom, UPC and other telecommunications companies to provide Next Generation Access (high-speed broadband) to every home and business in the State. This will be achieved by delivering fibre to the home or kerb for 90% of homes and businesses in Ireland with the remaining 10% provided with high-speed mobile or satellite broadband.

**e-Government:** Fine Gael will develop Ireland as a 'Digital Island' and will set tough targets to provide more Government services online such as all business services, planning applications, electoral register and driving licence applications. We will set an 'e-Day' of January 1st 2016 for all these services to be available online.

### 10.5 Broadcasting

**TV Licence:** We will change the TV Licence into a household-based Public Broadcasting Charge applied to all households and applicable businesses regardless of the device they use to access content. We will look at new ways of collection including the possibility of paying in instalments through another utility bill (electricity or telecom), collection by local authorities, the Revenue or a new contract with An Post. This will reduce the cost of collection and widespread evasion and could yield a further €20m per annum. TG4 will be funded from the charge by 2014.

**Independent Broadcasting:** We will increase the broadcasting fund from 7% to 15% over five years and will encourage more production companies and independent TV and Radio networks to bid for funding.

**Broadcast Levy:** The Broadcast Levy imposed on television and radio stations to cover the costs of the Broadcasting Authority of Ireland (BAI) will be reduced as a consequence of the savings that will be made from the merger of the BAI and ComReg under the umbrella of a new Competition, Consumer and Utilities Commission.

**Digital Broadcasting:** Fine Gael will ensure that digital switchover happens on time and that a vigorous public information campaign is carried out. We will strengthen the powers of BAI (or its successor) to facilitate an agreement on a commercial multiplex.

**Postal Services:** We strongly support An Post as a state-owned company providing mail and other services. We will seek to expand the remit of post offices to include banking services, internet services and as a portal for government services to communities and business. We will enact into law the Postal Services Bill which opens the postal market to competition. And will protect the universal service obligation (five day delivery to every home and business) by assigning it to An Post for at least twenty years, make provision for state subvention and require that any decision by ComReg to reassign or scrap the USO is subject to ministerial approval.

**Postcodes:** Fine Gael will introduce a new post code system that works on the principle of codes unique to the location of buildings as opposed to the Government's current plan for an area code system.

**Free to Air:** We will maintain the current regime with regard to the Heineken Cup.

## 10.6 Natural Resources

**Mine remediation:** We will work with communities, the industry and stakeholders to ensure that closed mines are remediated and that responsibility for monitoring and managing closed mines can be taken over by the state after thirty years.

**Oil and Gas:** Exploiting Irish oil and gas reserves in Irish waters is important to maintaining security of supply and to providing much needed revenue. We will incentivise and promote off-shore drilling and will streamline the planning and regulatory process for bringing ashore these reserves. We explore the possibility of the Government taking an equity share in any new finds accepting that this will entail sharing in the investment costs as well as the profits.

# 11. Environment and Climate Change

The environment is vital not only for sustainable living but for economic recovery too. With the right leadership we can enjoy a clean environment and a roaring economy.

## 11.1 Climate Change

**Climate Change Legislation:** Fine Gael will legislate for a climate change law that sets the Kyoto and EU2020 targets in national legislation but only on the basis of all party agreement.

**Effects of Climate Change:** In response to natural disasters such as flooding we will legislate to give the relevant line Minister temporary powers to take charge of the State's actions under the guise of a National Emergency Response Action Committee.

**Investing in Clean, Green Infrastructure:** Fine Gael's *NewERA* plan will help transform Ireland into a low carbon and competitive economy by investing an extra €7 billion into new modern infrastructure in areas such as energy and broadband.

**Electric Vehicles (EVs):** We will incentivise consumers to switch to EVs by providing an ambitious roll out of electric transport charging points. We will invite companies from the private and public sector to roll out these charging points. We will commission a study into the feasibility of replacing government-owned vehicles with EVs.

**Carbon Tax:** The €15 per tonne increase in the carbon tax to €30 per tonne proposed by Government for 2014 is excessive, and will be particularly hard felt by the elderly and in rural Ireland. With an increase of this scale, Ireland would likely have the highest carbon taxes in the world, making some energy-intensive industries uncompetitive here. We will reduce the increase proposed in the Government's 4-year plan by €5 per tonne (to €25 per tonne). An increase to solid fuels will be phased in only when progress is made to control imports of dirtier, more carbon-intensive solid fuels from the UK. Fine Gael will provide an exemption from the additional carbon tax increases for agricultural diesel.

**Cutting Home Energy Use:** We will double funding for home energy efficiency and renewable energy programmes until the end of 2013, after which time these schemes will be ended. Pre-announcing the closure of taxpayer-funded schemes will encourage homeowners to invest now and stimulate extra activity in this area and create an additional 5,000 jobs. After 2013, Fine Gael will roll out a 'pay as you save' scheme to continue home energy efficiency retrofitting work without recourse to public funding. The Warmer Home Scheme will be protected.

**Energy Efficient Public Buildings:** We will tender for a 'pay as you save' contract to insulate all public buildings in the state. The contractor will be expected to come up with the capital. This will be labour intensive, will save energy and reduce cost in the long run.

**Bio-Energy in Buildings:** We will reduce carbon emissions from energy hungry buildings by making combined heat and power generators the norm for large buildings. A new State company, *Bioenergy & Forestry Ireland*, will grow and market the biomass to feed a nationwide roll out of combined heat and power generator technology.

**Afforestation:** Fine Gael will develop a new ambitious afforestation programme of 15,000 ha per annum as part of our *NewERA* strategy to feed the bio-energy production industry. This is required to power the developing combined heat and power industry but also has the added advantage of acting as a 'carbon sink' to trap emissions.

**Carbon Sinks:** Fine Gael will push for organisations involved in the Emissions Trading Scheme (ETS) to be allowed to fund new forest carbon sinks in Ireland in lieu of purchasing foreign carbon credits.

**High Speed Broadband:** We will reduce emissions from transport by developing dependable high speed broadband to allow more teleconferencing and shared digital information.

## 11.2 Waste

**Waste Competition and Regulation:** We will offer better waste services and choices to residents by fostering greater competition in the waste market. Local Authorities will become a waste operator 'as a last resort'. The sector will be subject to independent regulation by the new Competition, Consumer and Utilities Commission.

**National Waste Policy:** Fine Gael will develop a single National Waste Strategy incorporating regional waste plans. We must attract investment in waste infrastructure in a way that maximises potential economies of scale, competition and enables the market to pass on the benefits to businesses and households. Ireland will only meet stringent EU targets on environmentally sustainable waste disposal via a coordinated and planned approach by Government.

**Recycling:** We will continue to develop recycling services such as brown, green and grey wheelie bins in order to facilitate waste segregation and recycling. In addition, we will extend the network of bring banks and bring centres designed to empower householders to separate and recycle waste.

**Zero Tolerance Litter:** Fine Gael will take a tough approach with those who litter our communities. We will increase fines and adopt zero tolerance for people found fly tipping in order to protect our natural environment.

**Waste Tax:** We will introduce an environmental tax on packaging, as recommended by Comhar.

## 11.3 Water

**Delivering Water:** Fine Gael will deliver clean and reliable drinking water in all parts of the country by creating a single water utility company to take over responsibility of water from the fragmented local authorities that will use new investment and best practice to deliver better water services.

**Water Charging:** Fine Gael will introduce a fair funding model to deliver clean and reliable water. We will not ask home owners to pay for a broken and unreliable system and that is why Fine Gael will only introduce water charging after the establishment of a new State owned water utility company to take over responsibility from the separate local authorities for Ireland's water infrastructure and to drive new investment.

**Septic Tanks:** Fine Gael will tackle leaking septic tanks that pollute our groundwater. We will introduce new regulations and standards to address the serious problems associated with septic tanks. As part of our Home Improvement Scheme we will provide short term finance for septic tank remediation assistance for home owners.

## 11.4 Air

**Noise pollution:** Fine Gael will introduce new laws to deal with the nuisance of intrusive noise.

**Air Quality:** Fine Gael will further improve air quality by encouraging greater use of electric vehicles and also facilitating a model shift away from private cars to public transport through the development of convenient park and ride facilities and additional rail services.



## 12. Foreign Affairs

Fine Gael's key foreign affairs priority is to work towards the building of ever-stronger links between North and South and towards the removal of any threat to peace from dissident groups. We will continue to work with our Northern counterparts to realise the full economic, cultural and social potential of this island.

The European Union was vital in our economic development over the past three decades and will now play a critical role in our recovery through access to funds and markets. We must ensure we maintain strong representation at EU level to promote Irish employment and Irish citizens' interests.

Abroad, we will make our Agencies and Embassies work hard to bring trade, tourists and talent to Ireland supporting a return to a thriving economy.

### 12.1 Northern Ireland

**Good Friday Agreement:** Fine Gael supports the full implementation of the Good Friday Agreement. We will work to ensure closer links between North and South that are respectful of both communities.

**St. Andrew's Agreement:** We are committed to publishing the review of the North-South Implementation Bodies and Areas for Co-operation, as provided for in the St Andrews Agreement, to recognise work that has been carried out and to build on successes. New areas for co-operation, currently under review, should also be identified as set out in the Agreement.

**Economic Co-operation:** We will continue to forge closer links in research and development, trade, investment and enterprise to help speed up the process of economic recovery on the island. We will also support enhanced co-operation and co-ordination in the provision of key infrastructure on the island of Ireland, including energy, transport and telecommunications.

**Border Economic Plan:** We will propose the preparation, in partnership with the British government, of a joint economic plan for the border regions in both jurisdictions. Fine Gael has already established a Border Forum to develop new policy initiatives designed to capitalise on the potential of this region.

**Dissident Groups:** We will ensure An Garda Síochána have the necessary resources to monitor the activities of dissident groups in this State. A concentrated effort to disrupt their recruitment methods and other activities will reduce the risk of further atrocities by these groups.

### 12.2 The European Union

Fine Gael sees our membership of the European Union as the cornerstone of our economic recovery. We firmly believe that remaining a central member of the EU is essential for attracting inward investment and for access to markets.

We are determined to restore Ireland's position as a respected and influential part of the European family and to undo the damage done to our reputation by the outgoing Government. A key priority for Enda Kenny as Taoiseach will be to lead a major diplomatic effort to repair our relationships with our European partners and institutions. We will use our role in the European People's Party, the strongest political grouping in the EU, and Enda Kenny's senior position of Vice-President of the EPP, to further this cause.

**Re-negotiating the EU-IMF Programme of Support:** Borrowing up to €25 billion in additional funds from the EU/IMF at 5.8% to cover additional bank losses from fire-sales of loans and other bank assets at rock-bottom prices, as this Government has agreed, will push Irish Government debt towards unsustainable levels and hinder economic recovery, threatening the stability of the entire euro area.

A Fine Gael Government will not make Irish taxpayers borrow at such penal interest rates to pay for a fire-sale of Irish bank assets. We will seek a mandate from the Irish people to renegotiate a more credible, fairer package that is better for Ireland and Europe.

**European People's Party:** As a member of the European People's Party, Europe's largest political grouping, Fine Gael fully supports greater EU co-operation and integration on issues of mutual concern, particularly the current economic crisis.

**An Irish role in EU Judicial and Home Affairs Cooperation:** We believe that Ireland should be fully involved in the fight against international crime, especially as there is increasing evidence of this country being used as a route to import illegal drugs into Europe. The result of this new crime threat can be seen in the violent gangland conflicts in our major cities.

**Security and Defence:** Fine Gael wants Ireland to get involved in the construction of a new European security system at an early stage so that we can join and influence it on our terms. We want any EU common security and defence system to be guided by five key principles:

1. The commitment to adhere to the fundamental principles of the United Nations (UN);
2. The commitment to the pursuit of universal nuclear and biological disarmament, and a promise never to use either type of weapon;
3. The commitment to providing peacekeeping and peacemaking operations;
4. The commitment to respect the right of other EU States to enter other military alliances, or to be neutral, as they choose.
5. The right of Ireland to opt-in and opt-out of aspects of a mutual defence and security system on a case-by-case basis.

**Remove the Triple Lock:** We believe that the Triple Lock must be modified to allow Ireland participate in peacekeeping missions. The failure of the UN Security Council to pass a resolution should not prevent us from taking part in EU humanitarian and overseas missions. We believe that Irish troops should be capable at short notice, if requested, to assist in emergency relief efforts at times of humanitarian crises.

**Enlargement:** We will support carefully planned European Union enlargement. We reaffirm that all applicant countries must meet the criteria for accession in full. We believe that all applicant countries must recognise each of the current members of the European Union.

**Taxation:** We will oppose any attempt to dilute the unanimity requirement for tax harmonisation.

**Implementation of EU law:** We will commission an independent audit into the transposition and implementation of EU law, particularly focusing on legislation which has caused concern or been deemed burdensome to business administration activities.

## 12.3 Ireland Abroad

**Ireland's Diplomatic network:** We will ensure Ireland's Embassies play a key role in both helping to win inward investment and in supporting the work of Enterprise Ireland and IDA for economic purposes, focusing particularly on emerging economies. We will also establish 'educational attaché' roles within Embassies in key markets to work with educational stakeholders and provide information about Ireland as an international education destination.

**Ireland Houses:** We will expand the concept of 'Ireland House' whereby our Missions abroad and the offices of State Agencies such as Enterprise Ireland and the IDA come together in a single location.

**Reaching out to the Diaspora:** Using our extensive diplomatic network and enterprise Agencies around the world, we will develop strong relationships with Irish entrepreneurs abroad with a view to creating employment and business opportunities in Ireland, and expanding our Global Irish Network.

**Irish Emigrants:** We will establish an Executive Office for the Irish Abroad within the Department of Foreign Affairs that will deal with the needs of Irish Emigrants in the UK, USA and young emigrants leaving Ireland today. This new Office will ensure that Irish people who emigrate in the current climate are properly prepared to live independently in different societies.

**Undocumented Irish:** We will campaign for a more effective visa agreement with the United States, to provide Irish and American citizens with the opportunity to live and work in both countries. We will also use every opportunity available to push for the development of a bilateral agreement with the U.S. to regularise the status of the many undocumented Irish living in America.

**Terrorism:** We will work with both our European Union colleagues to combat terrorism and the threat posed by extremism, without engaging in, or supporting directly or indirectly, methods or operations which compromise our respect for human rights.

**UN Decision Making Reform:** We support reforms of the United Nations that enhance decision-making processes and representation at the U.N. Fine Gael also supports the view that the European Union should have stronger voice at a reformed UN Security Council.

**Middle East:** We will assert the European Union as a key player in the Middle East peace process. We believe the EU could take a more active role and offer peacekeeping troops to support the crossing points around Gaza in an effort to restart peace talks.

## 12.4 Ireland and the Developing World

**Overseas Development Aid:** As we resolve our budget crisis, Fine Gael will place a renewed focus on and approach to meeting the U.N's Millennium Development Goals.

- We will review the implementation of the 2006 White Paper on Irish Aid with a view to addressing shortcomings and to build on successes.
- We will establish a Civilian Corps, which could include job seekers to use and share their skills in developing countries while retaining job seekers benefit.
- We will also restructure the Irish Aid Programme to ensure stricter funding criteria and to introduce a quality standard mark for aid delivery in Programme countries.
- We will use the leverage that Ireland gains through our aid programme to encourage and support democratic development and respect for human rights in the countries of the developing world. We will support partner Governments and civil societies in their fight against corruption.

**Emergency Humanitarian Assistance:** In times of humanitarian crises, we will unite NGOs that provide humanitarian aid to create a single appeals mechanism for national fundraising and public response. This will maximise publicity for the cause, the receipt of emergency funds and ensure the effective and co-ordinated dispersal of emergency aid. The State will financially support these NGOs in their response.

Ireland's Defence Forces have a proud record in international peacekeeping. We believe that Irish troops should be deployed, if requested, to assist in emergency relief efforts at times of humanitarian crises.

## 12.5 Our Passport Service

**A Transformed Passport Service:** We will transform the loss making Passport Service into an independent Executive Agency that will be self-financing and will have much greater degrees of managerial autonomy. It will be able to make investments in equipment, develop online application processes, provide a swift and reliable service and will have greater accountability to Parliament.

**Preventing Passport Abuse:** We will introduce security measures to prevent any further international abuses of the Irish passport. We will also introduce new procedures, including interviews or financial penalties, for the loss of an Irish passport. In 2009, over 34,000 Irish passports were lost or stolen.

# 13. Health and Mental Health

## 13.1 FairCare – Fixing the Health Service

Fine Gael's health plan, FairCare, represents the most ambitious plan for health service reform since the establishment of the State. It is designed to reduce costs, increase access and make the system much fairer. It will dismantle the dysfunctional Health Service Executive (HSE) that was created by Micheál Martin in 2004, and end the efforts of Fianna Fail and Mary Harney to privatise the health system by favouring private over public care. Our ultimate goal is to establish a system of Universal Health Insurance (UHI), based on the very efficient Dutch model – but adapted to Irish circumstances. The underlying philosophy is that the patient should be treated at the lowest level of complexity that is safe, timely and efficient.

Once UHI is introduced the unfair and inefficient two-tier health system will be eliminated. Patient will be treated on the basis of medical need – not on the basis of how much money they have. There will be one strong public health system, where the state guarantees the level of service and quality and competing insurance companies are responsible for much of its administration.

Fine Gael believes it will take up to ten years to fully reform the health system and, as result, our programme for change is divided into two parts.

## 13.2 Fine Gael will radically reform the current health system (2011 – 2015)

**Treating More Patients in the Community:** This reform will allow an increasing number of patients, especially those with chronic conditions such as diabetes, stroke and asthma, to be treated near or at their homes and will save the health service several hundred million euro annually once fully introduced. This increased patient flow will, in turn, provide GPs with the incentives and resources to expand their services. Fine Gael will see to it that a network of purpose built Primary Care Centres is delivered by the end of our first term in Government. These new centres will cater both for chronically ill patients as well as patients needing X-rays, blood tests or treatment for minor accidents or illnesses.

**Reducing Waiting Lists:** We will establish a Special Delivery Unit (SDU) in the Department of Health, reporting directly to the Minister to eliminate existing long waiting times. The SDU's role will be to ensure that targets are met, and to act as a source of expertise for healthcare professionals and managers. Key personnel may need to be seconded from other health care systems that have successfully reduced waiting lists. A similar-type system in Northern Ireland reduced waiting times significantly over four years with little or no additional money.

**Increasing Productivity by Changing the Way Hospitals are Paid:** We will pay hospitals for the number of patients they treat rather than, as is currently the case, giving them block grants. This system, which is known as Money Follows the Patient, should increase hospital productivity by between 5% and 10% and will make the system much more transparent and accountable.

**Driving towards Free GP Care for All:** As part of our preparation for UHI, which will gradually deliver Free GP Care for all, we will look at a number of ways to widen access to free GP care as finances permit, including increasing the number of people who have a GP Visit Card. Fine Gael will also enter discussions with the insurers to see how cover for GP care can be extended by them to their clients at reasonable cost. We will open up the General Medical Services (GMS) contract to all suitable qualified doctors to increase competition and reduce costs.

**Using Information Technology (IT) to Cut Costs:** We have looked at how other health systems, such as Sao Paolo in Brazil and the Veterans Administration in the US, have significantly increased efficiency

through the proper use of IT. Fine Gael will establish a separate IT agency for all of the public sector which will work directly with the SDU in order to ensure that projects are implemented on time and on budget. The HSE's track-record on IT to date is very poor.

**Ending Co-location:** More than five years since the announcement of Minister Harney's co-location plan, not one of the promised beds has been put in place. Fine Gael will end the Government's efforts to make the two-tier system even more unfair by allowing private hospitals to develop on the lands of public hospitals.

**Protecting A&E:** No A&E services will be withdrawn unless a demonstrably better service is put in place and is seen to work.

**Reforming the Insurance Market:** We will introduce a system of risk equalisation to ensure that the Irish insurance market works more effectively.

### 13.3 Fine Gael will introduce Universal Health Insurance (2016–2020)

**UHI – Changing the Role of the State in Healthcare Delivery:** Under UHI every citizen will have health insurance from one of a number of competing insurance companies, which will provide equal access to a comprehensive range of hospital and medical services. The insurance companies will take over much of the burden of administering the system. The State's role will be to:

- Pay for children/students and those on medical cards (and their families). It will also subsidise those on low income
- Require all insurance companies to offer a standard package of health insurance that will cover all key service such as hospital care, GP care, maternity care, etc. A system of Community Rating will be introduced which will ensure that no insurance company can discriminate on the basis of age, sex or health status, and
- Be responsible for regulating the system, ensuring that safety and quality are maintained, and funding services that are not covered through UHI such as long term care, mental health, disease prevention, etc. Public hospitals will remain under public ownership but will be given much more freedom to run themselves

FairCare will split the HSE into two before the introduction of UHI:

- **A Healthcare Commissioning Authority (HCA)** for the acquisition of "cure services" – hospital care, GP care, etc.
- **A Care Services Authority (CSA)** for the acquisition and provision of "care services" for the elderly, disabled, children, etc.

Once UHI is introduced the HCA will cease to function and the majority of the people it employs will instead be employed directly by the hospitals. Professionals whose work is not directly related to hospitals will have their employment contracts switched to the CSA. Fairness and respect for employment conditions will be central to this transition, and will be negotiated with trade unions.

**Opening Up the Insurance Market:** UHI will double the size of the health insurance market. This will attract new entrants, increasing competition and choice for customers.

**Reforming the VHI:** Fine Gael believes that the VHI can provide a "public option" for customers once UHI is introduced. However, we believe it should be slimmed down considerably so that it no longer has a dominant market position.

**Giving Local Hospitals More Control:** Under *FairCare* individual or networks of hospitals will be managed by hospital trusts, where patients, staff and members of the local community have a real say in the services delivered and in the development of the hospital.

**Gradually Introduce Free GP Care for All once UHI is established:** Once UHI has been fully implemented Free GP Care will be available to everyone and the two-tier system will end.

### 13.4 Fine Gael will make the Current Health System More Efficient

FairCare's cost reduction programme will protect front line services as much as possible even as we see reductions in the health budget as a result of the fiscal crisis.

**Reducing Bureaucracy:** Fine Gael will reduce HSE staff numbers by 8,000 by 2014 through a combination of natural wastage and voluntary redundancies. Compulsory redundancy will therefore not be required.

**Cutting Waste and Inefficiency:** Significant savings will be found by reducing the cost of agency staff, taxis, absenteeism and non-core pay such as overtime and allowances for example.

**Cutting the Cost of Drugs:** Fine Gael will introduce Reference Pricing and reduce the cost of generic medicines in order to make savings to the State drugs bill. Private patients will benefit from cheaper medicines in their local pharmacies.

**Fine Gael will improve efficiency by 5-10% by introduce Money Follows the Patient.**

**Fine Gael will cut costs by transferring chronic disease management from hospitals to primary care.**

### 13.4 Fine Gael will Introduce Better Care Services

**Home Supports:** We will ensure that the eligibility criteria for the home help and the Home Care Package Schemes are applied fairly and consistently across the country.

**Nursing Home Support Scheme:** Fine Gael will seek to address the anomalies in the Nursing Home Support Scheme such as the level of care services available under the Scheme, including physiotherapy, occupational therapy and chiropody for example. We will also provide clarification around the definition of a "sudden illness" for the application of the three-year cap to farms and small businesses.

**Caring for Carers:** Fine Gael appreciates the important contribution carers make to society and the fundamental role they play in supporting people at home. Fine Gael is committed to protecting the current rate of Carers Allowance and the Carers Benefit and will also develop a National Carers Strategy to address issues of concern to carers.

**Dementia:** We will develop a national dementia strategy by 2013 to increase awareness, ensure early diagnosis and intervention and the development of enhanced community based services. This Strategy will be implemented over five years.

**Terminal Illnesses and Medical Cards:** Fine Gael will expedite the medical card application process for people with terminal illnesses. We will also consider abandoning the medical card means test for people with terminal illnesses.

**Personal Budgets:** By the end of our first term in Government, Fine Gael will give people with disabilities the option of "Personal Care Budgets" so that they can choose the services that meet their individual needs. Personal budgets introduce greater transparency in funding and improved targeting of resources.

**End-of-Life & Palliative Care:** Fine Gael will improve end-of-life and palliative care services by promoting better collaboration between health and social service providers, supporting the implementation of the Palliative Care National Development Framework (2009 – 2013) which seeks to address the regional disparities that exist in the provision of palliative care services and by enacting legislation to provide for recognition of Advance Care Directives and the regulation of the funeral industry.

## 13.5 Key Issues

**Manpower Crisis:** Fine Gael will initiate a long-term manpower strategy to tackle the chronic front line staff shortages we face in specialities such as general practice, mental health, physiotherapy, occupational therapy and speech and language therapy to mention but a few.

**National Children's Hospital:** Fine Gael is committed to the development of a national paediatric children's hospital.

**Community Pharmacy:** Fine Gael recognises that pharmacists are working to improve community health services and preventive health services. Fine Gael believes that the greater use of community pharmacy in delivering care and treatment will give patients more choice, more access and will give Ireland a more efficient health care system. Fine Gael will seek to develop new pharmacy services such as medicine use reviews and where appropriate, screening and vaccination programmes.

**Cystic Fibrosis:** Fine Gael will expedite the completion of the Cystic Fibrosis Unit at St. Vincent's Hospital.

**Cancer Services:** Fine Gael will extend BreastCheck, the national breast screening programme, to 65 – 69 year old women. Fine Gael will introduce a cervical cancer vaccination catch-up programme for all girls up to the age of 18 years. We will also expedite the appearance of graphic images, such as lung damage caused by smoking, on cigarette packages to help reduce smoking.

**Dental Care:** Fine Gael will re-instate preventative dental care to the Dental Treatment Services Scheme (Medical Card Scheme), as outlined in Reinventing Government.

**Medical Negligence:** Fine Gael will extend the Injuries Board remit to medical and clinical negligence so that the non-adversarial approach can be used to save legal fees.

**No-Fault Compensation:** Fine Gael will pilot a no-fault compensation scheme for children who suffer catastrophic birth injuries, utilising scarce resources to support families rather than paying massive legal bills.

**Patient Rights:** Fine Gael will create a Patient Safety Authority that will incorporate the Health Information and Quality Authority (HIQA) so that patients have an independent, proactive and inexpensive place to bring their complaint. They will have someone who acts as an advocate for them and ensures that investigations take place where appropriate.

**Autism:** Fine Gael recognises the critical importance of early diagnosis and intervention and will address the current deficits in this area.

**Lourdes Redress Scheme:** We will find a mechanism to compensate those women who were excluded on age grounds alone from the Lourdes Hospital Redress Scheme.

**Thalidomide:** We will reopen discussions with the Irish Thalidomide Association regarding further compensation for victims of thalidomide.

**Rare Diseases:** In Government, Fine Gael is committed to developing a national plan for rare diseases by 2013.



**Neurological Care:** Through the implementation of FairCare, Fine Gael will prioritise the development of neurological services and implement the national rehabilitation strategy.

**Migraine:** Fine Gael will liaise with the Migraine Association of Ireland to improve awareness and access to information on migraine and to improve diagnostic services in GP practices.

**Ambulance Services:** Fine Gael will review the fire brigade and ambulance service with a view to achieving greater efficiencies and economy.

**Maternity Care:** Fine Gael will immediately review maternity services, using existing reports to hand, so that we can put in place high quality maternity services to meet patients' needs and to ensure more choice.

## 13.6 Mental Health Matters

Fine Gael policy on mental health incorporates the recommendations of *A Vision for Change*. We are committed to reducing the stigma of mental illness, ensuring early and appropriate intervention and vastly improving access to modern mental health services in the community.

### 13.6.1 Early and Appropriate Intervention

**Primary Care:** Under FairCare, modern purpose built Primary Care Centres will accommodate a range of healthcare specialists such as GPs, nurses and speech and language therapists for example, as well as mental health specialists such as psychologists and counsellors.

**Community Teams:** Fine Gael will develop community mental health teams and specialist services as outlined in *A Vision for Change* to ensure early access to more appropriate services for adults and children. This staffing of these teams will be funded by a reallocation of resources within mental health services.

### 13.6.2 Opportunity and Reform

**Suicide:** Fine Gael is committed to implementing *Reach Out*, the National Suicide Prevention Strategy, and will increase funding for the National Office for Suicide Prevention to €10 million to reduce the incidence of suicide and self-harm, improve suicide prevention strategies and develop better bereavement support services.

**Psychiatric Institutions:** Fine Gael will close unsuitable psychiatric institutions moving patients to more appropriate community-based facilities. Resources, arising from the sale of psychiatric institutions, will be ring-fenced for the development of mental health services.

**Central Mental Hospital:** Fine Gael is committed to developing a UN Central Mental Hospital.

**Mental Health Act:** Fine Gael will review the Mental Health Act 2001 and update it in line with the new Convention on the Rights of Persons with Disabilities.

### 13.6.3 Universal Health Insurance

**UHI:** Insurance packages under UHI will incorporate a range of mental health services including mental health assessment, access to mental health treatment and where necessary in-patient services.



# 14. An Ghaeilge

Tá Fine Gael go láidir ar son forbairt na Gaeilge agus na gceantracha Gaeltachta. Aithnímid luach agus tábhacht cultúrtha ár dtraidisiúin Ghaelaigh agus ár n-oidhreacht agus táimid diongbháilte go bhfuilimid chun a chinntiú go mairfidh agus go mbeidh borradh ar an teanga agus ar na ceantracha Gaeltachta.

**Straitéis Náisiúnta:** Táimid ag tacú le mórán gnéithe den straitéis fiche bliain do thodhchaí na Gaeilge agus tabharfaimid i gcrích na spriocanna gur féidir agus na haidhmeanna atá curtha chun tosaigh.

**Oideachas:** Tacaíonn Fine Gael le forbairt leanúnach na nGaelscoileanna agus aithníonn sé an ról suntasach atá ag gluaiseacht na nGaelscoileanna in athbheochaint na Gaeilge taobh istigh agus taobh amuigh dena ceantracha Gaeltachta. Chomh maith le sin, oibreoimid lena Coláistí Samhraidh chun níos mó scoláirí a mhealladh go dtí an Ghaeltacht.

Táimid meáite ar athchóiriú a dhéanamh ar an mbealach ina múintear an Ghaeilge sa chóras bunoidreachais agus sa chóras iarbhunoidreachais, chun féachaint chuige go bhfuil múinteoirí in inmhe grá don teanga a spreagadh sna scoláirí go léir agus go bhfuil an curacalam leagtha amach ar bhealach a ghríosóidh na scoláirí chun an teanga a labhairt tar éis dóibh an scoil a fhágáil.

Creidimid má dhéanaimid athchóiriú ar an mbealach ina múinimid an Ghaeilge go spreagar níos mó scoláirí chun staidéar a dhéanamh ar an teanga agus chun í a úsáid taobh amuigh den chóras oideachais. Creidimid nár chothaigh an Ghaeilge éigeantach fás na teanga nó grá don teanga. Déanfaimid athchóiriú ar an gcuracalam dara leibhéal agus scrúdóimid go criticiúil an tionchar atá ag na modhanna oiliúna do mhúinteoirí atá i bhfeidhm i láthair na huaire. Ní bheidh an Ghaeilge mar ábhar roghnach go dtí go mbeidh cainteanna ar an dá ábhar tugtha i gcrích.

Bronnfaimid 50% dena marcanna ar an mbéaltriail.

Déanfar iniúchadh ar churacalam dúbailte go dtí an Ardteist, ceann amháin ar an gcóras reatha agus ceann eile ar an nGaeilge chumarsáideach. Déanfar iniúchadh ar phoinntí breise sa chóras iontrála go coláistí trí leibhéal.

Déanfaidh Fine Gael lion na ndaltaí atá ag gabháil don chúrsa Ardteiste Ard leibhéal a mhéadú faoi dhó faoin mbliain 2018.

**Cruthú postanna sna ceantracha Gaeltachta:** Cabhróidh ár bpleananna Ré Nua agus Ag obair don todhchaí chun fostaíocht sna ceantracha Gaeltachta a chur ar fail, Déanfaimid infheistíocht i mbonneagair fuinnimh, leathanbhannda agus uisce, chun an bonneagar atá riachtanach chun comhluchtaí agus postanna nua a mhealladh agus a choimeád a chruthú. Tabharfaimid tacaíocht láidir do chruthú postanna sa turasóireacht agus i ngníomhachtaí mara.

**Scála Líofachta Náisiúnta:** Déanfaimid iniúchadh ar fhorbairt scála líofachta náisiúnta don Ghaeilge. Chuirfeadh an scála deich gcéim seo ar cumas gach saoránaigh measúnú d'fháil ar a chumas agus úsáid a bhaint as modhanna nua-aimseartha múinteoireachta agus as an nua-theicneolaíocht chun feabhas de réir a chéile a chur ar a líofacht de réir mar a oireann dó féin.

**Oileáin:** Creidimid go láidir go gcaithfimid pobail a chothú ar na hoileáin agus oibreoimid chun feabhas a chur ar na seirbhísí riachtanacha dona hoileáin i dtreo is go mbeidh fail cuí ag pobail na n-oileán ar sheirbhísí sláinte agus ar sheirbhísí sóisialta eile.

**Acht um Teangacha Oifigiúla:** Déanfaidh Fine Gael athbhreithniú ar na dualgaisí faoin Acht um Teangacha Oifigiúla chun a chinntiú go bhfuil an caiteachas ar an teanga dírithe ar fhorbairt na teanga ar an mbealach ia éifeachtaí.

# 15. Jobs, Enterprise, Growth

Since the recession took hold three years ago, 300,000 jobs in Ireland – 14% of the total – have been wiped out. This is the biggest fall in employment of any advanced country since the crisis began. As a result of the jobs crisis, the ESRI forecast an additional 100,000 emigrants in the next two years – a higher rate of emigration than occurred even during the depths of the recession in the 1980s.

The Government's response to the crisis has made matters worse. Fiscal austerity to pay for massive bank bail-outs has not restored confidence and employment in the Irish economy. Unlike this Government, Fine Gael understands that we cannot fix either the fiscal or banking crises without also fixing the jobs crisis.

The ESRI believes that Ireland has the capacity to generate a net increase of 100,000 jobs over the next five years. This is a realistic ambition for a new government to set itself. But it will plainly need a new prioritisation of jobs and competitiveness.

## 15.1 Fixing the Deficit While Protecting our Tax Competitiveness

**Eliminating the Deficit:** We aim to restore confidence in, and funding to, the Irish economy by bringing the day to day public finances back into balance by 2016.

**Keeping Direct Taxes Competitive:** Drawing from international best practice, we will protect jobs as we cut the deficit by limiting tax increases to at most one-third of the total deficit-reducing measures. We will not increase direct rates of tax on income, company profits, employment and enterprise investment, and we will re-structure VAT to help shift consumer spending from imported goods into labour-intensive services.

**Employers' PRSI:** There will be no increased tax on employment such as employers PRSI which can be as high at 10.75%. To help employers hire people off the dole, we will halve Employers PRSI on jobs paying up to €356 per week for two years.

## 15.2 A 'NewERA' Semi-State Investment and Reform Programme

**Extra Investment in Key Networks:** As we fix the deficit in a way that restores confidence, a Fine Gael Government will use the remaining funds in the NPRF, sell non-strategic state assets and restructure the commercial semi-state sector in order to finance €7 billion in extra investment in water services, telecommunications and energy. This will support demand and employment in the short-term, and provide the basis for sustainable, export-led jobs and growth for the next generation.

These will be profitable, commercial investments, repaid by charges on users, businesses and consumers. In this way, these investments will not count as Government expenditure, and their benefits to jobs, growth and taxation will underpin the effort to close the Government deficit.

**A New Economy and Recovery Authority (NewERA):** These investments – and the accompanying semi-state restructuring and privatisation process – will be financed and pro-actively managed by a state holding company to be called the New Economy and Recovery Authority (NewERA), which will absorb the National Pensions Reserve Commission. NewERA will manage a portfolio of commercial semi-state companies, re-structure their operations and sell those assets that can operate in competitive markets and that are no longer of major strategic interest to the State.

**A 'Bord Snip' for the Semi-States:** We will also appoint a committee to examine the accounts and cost base of the semi-states – a 'Bord Snip' for the semi-states – to recommend ways to reduce costs and improve efficiencies in each company with a view to passing on any savings to customers.

### 15.3 Helping Irish Businesses Grow Their Overseas Markets

**‘Home to Export’ Programmes:** A new ‘Home to Export’ programme will be established to share the expertise of exporting companies with firms currently reliant on declining domestic markets. A ‘Source Ireland’ portal will be developed to market Irish goods and services abroad.

**VAT Exemption for Service Exporters:** Service companies that export more than 90% of their output will be allowed become VAT exempt, improving their cash-flows and cutting down on red tape.

**Strengthening Links between Multinationals and Irish Firms:** We will offer tax credits to multinational companies that provide the funding and mentoring needed by emerging Irish-owned companies to enter international markets.

### 15.4 Giving Entrepreneurs the Freedom and Support Needed to Create Jobs

**A Single Business Tax for Micro Enterprises:** Fine Gael will direct the Revenue Commissioners to examine the feasibility of introducing – on a revenue neutral basis – a Single Business Tax for micro enterprises (with a turnover of less than €75,000 per annum) to replace all the existing taxes on sole traders and small businesses (i.e. income tax, corporation tax, capital gains tax, VAT and PRSI). This could cut compliance costs and make starting a business much less daunting.

**Social Protection for Entrepreneurs:** With a view to extending greater social protection for entrepreneurs and self-employed people who fall on hard times, we will appoint a Commission to report on changes that should be made to the tax and social welfare system.

**Regulatory Exemptions for Start-Ups:** We will also consider a set of temporary exemptions from employment and company regulations designed for bigger firms.

**Helping “Honest Bankrupts” Back to Work:** Antiquated bankruptcy laws will be overhauled to provide “honest bankrupts” with clear and accessible routes back into normal economic life (see Section 3.4).

### 15.5 Improving Access to Finance for Business

**A Partial Loan-Guarantee Scheme:** To get banks lending again to industry and entrepreneurs, we will implement a temporary, partial credit guarantee scheme that will provide a level of insurance to banks against losses on qualifying loans to job-creating firms.

**Microfinance Start-Up Fund:** Drawing from funding from the NPRF and private institutional funds, we will construct a €100 million Microfinance Start-Up Fund that will provide start-up loans and equity. Private not-for-profit organisations like First Step, Chambers of Commerce or Local Business Units in the City and County Councils could apply for capital from the Fund for investment in local start-ups.

**Venture Capital Industry:** Alongside the restructuring of the domestic banking system, we will also support the development of a more dynamic, venture capital industry in Ireland by seeking to attract top-tier venture financing and investment companies to Ireland, such as Silicon Valley Bank.

### 15.6 Supporting Research and Technology Development

**Making the R&D Tax Credit More Accessible to Small Firms:** We will amend the R&D tax regime to make it more attractive to smaller businesses. All R&D expenditures below €100,000 in any one year will become

allowable, as opposed to just the increment over the 2003 base year. We will also give companies the option to offset the R&D credit against employers' PRSI as an alternative to corporation tax.

To cut down on red tape in the applications process, companies in receipt of a Research, Technology and Innovation (RTI) grant from one of the development agencies will be automatically deemed as entitled to the R&D tax credit.

**Accelerated Capital Allowances on Software Purchases:** We will accelerate Capital Allowances on software purchases against income tax and corporation profits tax from eight to three years. This will not only support local, high-tech jobs in the software industry but will also facilitate productivity increase across the economy.

**"Fair Use" of Copyright:** We will pioneer within the EU a model of 'fair use' in European Copyright Law, like in the USA, which effectively permits the use of portions of a copyrighted work so long as the normal economic exploitation of the originating work is not undermined. This will allow internet companies and other digital innovators to bring their services to market.

**Intellectual Property:** We will review and update Intellectual Property legislation currently in place to benefit innovation. Also, we will develop a national Intellectual Property protocol to give clarity about the terms on which business can access IP created in Higher Education Institutions, clarify the laws relating to on-line copyright infringement and the enforcement of rights relating to digital communications, and revamp the Patent Office website to make it more user-friendly and to facilitate on-line filings such that it is on a par with its European counterparts.

**Digital Island:** We want to develop Ireland as a 'Digital Island' and first-mover when it comes to information technology. We will establish an E-day on January 1st, 2016 by which all government services to business will be on-line only. We will approach it in the way that we did the Euro changeover.

## 15.7 Matching People to Opportunities

**A new "One Stop Shop" for Welfare and Job and Training Referral:** We will create a new 'one stop shop' for getting back to work, the Payments and Entitlements Service. It will provide extensive skills assessment, training guidance and job referral services to the unemployed, as well as other welfare and service entitlements (see Section 19.5). Many job-seekers will continue to be referred to existing FAS training centres and services, which will operate under a new slimmed down governance structure. Community Employment schemes will be maintained and expanded but will be managed by local authorities.

**Labour Market Activation through "Welfare to Work" Reforms:** A Fine Gael Government will no longer subsidise a passive welfare system that does not help people get back to work. The new Payment and Entitlements Service (PES) will offer earlier interventions to support those losing jobs to remain engaged with the labour market. Among the measures that will be introduced will be:

- A requirement on under 25s to maintain a Jobs Diary recording search experience and skill enhancement activities, with sanctions for unreasonable rejections of training and job opportunities;
- Conditionality whereby benefits will be reduced if recipients refuse offers of training, education, work experience;
- A reduction in the frequency of signing on in favour of a more meaningful schedule of engagement with Jobseekers;
- The introduction of Training Vouchers, that empower the unemployed to define and acquire their own training needs rather than relying on a State bureaucracy to decide what courses to provide; and
- Welfare reforms to make re-entry into paid work more attractive. Rent supplement and other secondary benefits will be converted into means-related supports that are unaffected by working status (with tapered withdrawal).

## 15.8 45,000 New Employment and Training Places to Target Youth Unemployment

**National Internship Programme (23,000 places):** This will offer part-time one-year placements in the public service, private sector and voluntary sector for unemployed graduates to gain valuable experience while studying for a masters or diploma. They will be paid the entry-level going rate and will get a €3,000 bursary to help fund their higher education. Among the positions available will be classroom and teaching assistants in schools and nursing assistants in hospitals. IDA Ireland and Enterprise Ireland will be explicitly mandated to develop 5,000 work experience placements in the companies that they support.

**Second Chance Education (17,000 places):** This will offer former retail and construction workers that did not finish school 'back to education' placements for two years. Participants will receive a premium payment of €20 per week on top of their social welfare payment, a €500 payment towards books etc and a €3,000 completion bonus.

**Apprenticeship Guarantee (700 places):** This will offer unemployed craft apprentices direct employment by the state, agencies or semi-states until their apprenticeship is completed.

**Community Employment (5,000 places):** This will offer community employment places to people currently on the live register. We will reform CE to make it more market-orientated with many more placements in private sector businesses. With this aim in mind, we will cut in the length of the standard Community Employment Scheme to six months, except for specific progression purposes, and strengthen the programme with regard to job search support.

## 15.9 Reducing Red Tape and Bad Regulations

**Cutting Red Tape through Risk-Based Regulatory Enforcement:** We will reduce the cost of Government-imposed red-tape on business by €500 million, in part by streamlining regulatory enforcement activities. Out of a merger and rationalisation of existing structures, we create a Business Inspection and Licensing Authority (BILA) that absorbs the existing business inspection activities of the Health and Safety Authority (safety laws), the National Consumer Agency (pricing displays and consumer laws) and the Equality Authority. The BILA will be charged with applying international best practices in regulatory compliance and risk-based enforcement.

**A Single Food Inspectorate:** Building on the existing Food Safety Authority, we will create a single food safety monitoring agency responsible for food safety inspection from farm to fork. This will enhance the food traceability system and reduce the burden of red tape on business.

**Unique Business Identifier:** We will develop a Unique Business Identifier for use by all government departments and agencies that will facilitate the sharing of information within Government and reduce repetitive information requests from businesses.

**Simplifying Tax Compliance:** We will allow all companies to base their preliminary corporation tax returns on prior year tax liabilities, reducing their need to hire advisers to estimate their current year tax liabilities before the year is finished. We will also combine PRSI and tax data for employees, and simplify PRSI classes.

**Regulatory Impact Assessment:** We will require Departments to publish Regulatory Impact Assessments (RIAs) before Government decisions are taken, thereby offering a further channel to obtain the views of civil society on new rules and regulations.

**Employment Regulation:** To protect jobs, we will review and renegotiate the Employment Regulation Orders (ERO) imposed on the hotel, restaurant, security, agricultural, retail and other sectors under the Joint

Labour Committee system within six months. We will also allow employers and workers in ERO sectors to negotiate enterprise-level collective agreements with their own staff which will make them exempt from the ERO. All existing employment law will be consolidated into a Single Employment Act to ease compliance for employers.

**Public Procurement:** We will use Public Procurement as a tool to support innovative Irish firms. Tender documents, regulations and procedures will be reformed to make it easier for Irish SMEs to gain access to valuable public contracts.

## 15.10 Cutting Business Costs by Strengthening Competition in Sheltered Sectors

**A New Powerful Consumer Champion:** We will merge the Competition Authority, the National Consumer Agency (NCA), the Communications Regulator (ComReg), Broadcasting Authority of Ireland (BAI) and the Commission for Energy Regulation (CER) into a powerful consumer champion, and we will give it additional powers – by constitutional change if necessary – to break up public and private sector monopolies and cartels.

**Opening Up Sheltered Sectors to Competition:** We will take additional actions tackle the high costs from sheltered sectors of the economy – such as transport, medical, waste and legal services – by better regulation and by removing barriers to entry.

**Commercial Rent Reviews:** We will pass legislation to give all tenants the right to have their commercial rents reviewed in 2011 irrespective of any up-ward only or other review clauses.

## 15.11 Unleashing the Potential of High Growth Sectors

**International Education:** We aim to double the number of international students in five years, bringing revenue in this sector to €1.8 billion annually and creating at least 6,000 jobs, in part through a radical overhaul of the visa system that fast-tracks student visas from key markets and provides Green Cards for PhD graduates in high growth sectors of the economy.

**International Financial Services:** A Fine Gael Government will establish a dedicated new public-private partnership to promote the IFSC, particularly in South East Asia, the Middle East and South America.

**The Digital Gaming Industry:** The rise of casual gaming, apps and smart phones have revolutionised digital gaming design. Ireland has traditionally performed strongly in the creative industries such as film and animation and with the right supports in place digital gaming can be the next big creative industry in Ireland. Fine Gael will set aside €10m from Innovation Fund Ireland for a seed capital scheme for Irish digital gaming start-ups to expand the industry from the ground up and also we will introduce a digital media component to Transition Year programmes and promote Ireland as a digital gaming hub.

**Digital Media:** Fine Gael wants Ireland to become a global base for digital media, creating thousands of jobs over 10 years, by focusing on such areas as data warehousing, rights, licensing etc.

**Travel Tax:** International access is vital to Irish economic recovery. That is why Fine Gael will abolish the €3 travel tax subject to a deal being agreed with Ryanair and Aer Lingus to re-open closed routes and bring more tourists into Ireland. If no deal can be done, there will be no reduction in the tax.

**Construction:** Our NewERA programme will release an extra €7 billion investment in water, energy and broadband, stimulating significant employment creation in construction, engineering and other related professions and crafts. Fine Gael is committed to protecting all small building subcontractors that have been denied payments from bigger companies by implementing the main provisions of the Construction

Contracts Bill that will require notice of an intention to withhold contractor payments or else payments should be made in full or the payee may suspend all works or services. Fine Gael is also committed to supporting the development of the Cork City Docklands. Fine Gael is committed to finance, with other stakeholders, the commissioning of an economic development study for the Cork Docklands, to determine the future potential of the site with a view to progressing a development that is ambitious and viable.

## **15.12 Making it Happen**

**A New Cabinet Office:** We will convert the Department of An Taoiseach into a Cabinet Office that oversees the delivery of a Programme for Government and that will ensure that our job creation priorities are reflected across all Departments.

**A New Department of Jobs and Economic Planning:** In order to enhance political and administrative attention across Government on pro-employment, pro-competitiveness enterprise and regulatory policies needed for economic recovery, we will merge Forfás into the Department of Enterprise, Trade and Innovation to create a new Department of Jobs and Economic Planning

**A Dedicated Minister of State for Competitiveness:** Continuing to supporting the Department and the Minister will be the National Competitiveness Council (NCC). A dedicated junior Ministerial position will be established within the Department of Jobs and Economic Planning to co-ordinate implementation of the NCC's recommendations to Government on measures needed to boost exports and jobs.

**A Common Board for the IDA and Enterprise Ireland:** We will appoint a common board to act as directors of both Enterprise Ireland and IDA to strengthen linkages between foreign owned and indigenous businesses to improve the capacity for job creation and export penetration.



# 16. Local Government and Housing

Fine Gael will restore power to Local Government. Recognising the disconnect between local authorities, councillors and their respective communities Fine Gael will empower local authorities to solve problems at a local level.

## 16.1 Local Government Reform

**Restoring Power to Local Level:** We will confront the traditional, centralised top down approach to delivery and responsibility of local services by transferring powers and services from unelected Quangos to Local Authorities in areas such as job and housing supports. By doing so we intend to make local authorities more relevant to the communities they serve and to give people a say in how local services are provided.

**Promoting Local Job Creation:** Fine Gael will merge the local enterprise and job support functions of local, regional and national agencies into a single business and enterprise unit within Local Authorities. This will allow the streamlining of local job creation and support functions, increased shared knowledge capability and resources while saving on administration costs.

**Directly Elected Mayor for Dublin:** We support the concept of a directly elected Mayor for Dublin but reforms of local government are firstly required to avoid additional costs and bureaucracy. Fine Gael will implement these reforms before creating a directly elected Mayor for Dublin in 2014 to co-incide with the local elections.

**Efficient Local Government:** Fine Gael will reduce wasteful spending and cut back the bloated structures of politics and public administration built up over the last decade. We will deliver at least 80% of the spending savings recommended by the Local Government Efficiency Review, including cutting the number of county/ city managers from 34 to 24 and reducing senior managers in local authorities.

## 16.2 Housing

**Home Improvement Scheme:** We will double funding for home energy efficiency and renewable energy programmes until end 2013. Pre-announcing the closure of taxpayer funded schemes will encourage homeowners to invest now and stimulate extra activity in this area and create an additional 5,000 jobs.

We will also temporarily expand this scheme to include septic tank remediation assistance and radon gas prevention products to protect public health.

Fine Gael will roll out a 'pay as you save' scheme post 2013 to continue home energy efficiency retrofitting work without recourse to public funding.

**Family Home Repossessions:** Fine Gael will increase mortgage interest relief to 30% for First Time Buyers in 2004-08 (from the current sliding scale of 20% to 25% depending on the year the mortgage was taken out), financed in part by bringing forward the abolition of relief for new buyers from June 2011.

Fine Gael is also fully supportive of new guidelines to compel banks to give homeowners every chance to renegotiate the terms of their mortgage to avoid repossession during difficult times.

**Funding Local Government:** Fianna Fail's proposal, now endorsed by the Labour Party, to introduce by 2014 an annual, recurring residential property tax on the family home is unfair. But as we tackle the fiscal crisis, we will have to cut central exchequer funding for local authorities, and we recognise that local



authorities will have to find more sustainable sources of revenue appropriate to local circumstances. What will be viewed as fair in South Dublin might be viewed as unworkable in rural Clare.

In this context, we will empower local authorities to put in place, following the 2014 local elections, fairer alternatives to Fianna Fail's and Labour's recurring annual tax on the family home. The options would include:

- No extra local taxes, forcing local authorities to close non-priority services and / or to deliver increased efficiencies;
- Increased local user charges for waste etc.; or
- The option of a local "site sale profits tax". Such a tax would be levied on the profit made from the site value on the sale of a residence (sales proceeds, less cost indexed by inflation, less stamp duty paid and less home improvements)

The final measure might be considered as both fairer and more economically sensible than an annual recurring property tax. Whichever option local electorates choose, for the first time since the 1970s local government will have real independence from central government in deciding what services to provide at local level and how to fund them.

**Social Housing:** Fine Gael will use the additional funding allocated in our Home Improvement Scheme to improve the energy efficiency of older local authority social housing. Fine Gael will direct NAMA to study the possibilities and consequences of seizing newly built vacant houses from bankrupt developers and selling them to local authorities for social housing proposes.

**Management Companies:** We will change the rules governing management companies to provide more security and protection to home owners suffering at the hands of unscrupulous developers.

**Fire Safety:** Fine Gael will legislate for tougher and clearer rules relating to fire safety in apartment buildings and will introduce a new fire safety inspection and certification regime.

**Homelessness:** Fine Gael is committed to ending long term homelessness and the need to sleep rough. We firmly believe that prevention is better than cure and in Government we will aggressively target the root causes of homelessness, as in the long term it will be a more effective way to prevent homelessness. A key part of Fine Gael's public service reform strategy is to invest now to reduce future demand for services. By having a dedicated body to coordinate policy across Government we can target initiatives in cross cutting areas such as education, health care, and housing which will aim to prevent as much as possible problems like homelessness, child poverty and other avoidable problems caused by lack of joined up action. To address the issue of existing homelessness we will review and update the existing Homeless Strategy, including a specific focus on youth homelessness, and take into account the current demands on existing housing and health services with a view to assessing how to best provide additional services.

## 16.3 Building Better Communities

**Ghost Estates:** We will create tough penalties for developers that leave unfinished ghost estates and those in breach of planning permission. In addition, within six months of entering Government we will compel all local authorities to produce an action plan on how they intend to deal with each ghost estate in their locality. We will also completely overhaul the system of planning development bonds to ensure greater conditionality is placed on developers to finish projects to reduce the exposure of local planning authorities to unfinished developments.

**Planning Co-ordination:** Fine Gael will seek to better coordinate national, regional and local planning laws in order to achieve better and more coordinated development that supports local communities instead of the current system that favours developer led planning.

**Anti-Social Hotspots:** Fine Gael will target bad planning and anti social hotspots by developing a 'Good Practice Guide' for planners and developers to make housing developments, streets and parks safer, better places. The aim will be to draw attention to crime prevention principles which has been lacking in many modern high density housing areas.

**Local Transport:** We will improve local transport access by making local transport plans an integral part of local Development Plans. We will force all local authorities to develop a transport plan in conjunction with their County/City Development Plans, and Local Areas Plans. A transport plan must make provision for transport infrastructure and state clearly how local communities can access public transport.

**Urban Centres:** Fine Gael will create proper urban centres for the benefit of local communities by creating new guidelines for urban and village centres so that we can renew and rediscover the concept of having a genuine public space as the nucleus of any neighbourhood.

# 17. Political Reform

Fine Gael's *New Politics* is the most ambitious programme for political reform since the 1930s. We believe that a broken system of government and politics, which Fianna Fail manipulated for its own electoral advantage, is at the heart of Ireland's economic collapse. In any Republic the people are supposed to be supreme. Judged by that standard Ireland today is a Republic in name only. The expressions "Golden Circle", "Crony Government" and "Crony Capitalism" all describe the same thing: The abduction of our Republic by both public and private sector vested interests, aided and abetted by Fianna Fail.

## 17.1 Fine Gael Will Restore A Voice to the People

**Reclaiming the Republic:** Fine Gael wants to reclaim Ireland from the vested interests which have done such terrible damage to our nation. We want to build a new Republic in which the interest of the people and not those of the insiders are placed at the centre of politics in Ireland. In so doing we will be guided by three key principles:

- **Change must start at the top:** The political system cannot ask others to change and make sacrifices if it is not prepared to do the same. Fine Gael will cut the size of the Oireachtas by one-third by abolishing the Seanad, if the public approve in constitutional referendum, and cutting the number of TDs by 20. In addition ministers' salaries will be reduced, political expenses fully vouched for and severance payments for ministers axed. No political pensions will be paid to sitting TDs and no retired politician will get a political pension until the national retirement age. Politics must be about service to the public, not financial gain for politicians.
- **Change must be fundamental and comprehensive:** Modern Ireland cannot be governed by a system of government originally designed for 19th Century Britain. Ireland needs more than piecemeal reform. It needs radical root and branch change.
- **Change must involve the citizens:** The people must be consulted on and involved in the process of political reform. That is why we will establish a **Citizens Assembly**, along the lines of that used in the Netherlands to make recommendations on electoral reform. It will be composed of up to a 100 members who will be chosen from the public to reflect the demographic make-up of the country.

**Constitution Day:** A Fine Gael Government will also hold a referendum on CONSTITUTION DAY within 12 months of assuming office at which the people will be asked to approve the abolition of the Seanad and other changes to the articles of the constitution covering the institutions of the State – principally the Executive, the Dáil, the Presidency and the Judiciary. This referendum will not address the articles dealing with rights/social policy as we want the focus to stay on political reform.

## 17.2 Fine Gael Will Hold Government to Account

**A Stronger Parliament Holding Government to Account:** Fine Gael believes that an over-powerful Executive has turned the Dáil into an observer of the political process rather than a central player and that this must be changed. We will:

- **Amend the Constitution to Give Dáil committees Full Powers of Investigation:** The Abbeylara Supreme Court decision currently limits the ability of Dáil committees to hold investigations into crucial issues of public concern, such as the banking crisis
- **Reduce the number of committees and give key committees constitutional standing:** The Dáil needs fewer but stronger committees, resourced properly
- **De-politicise Committee Work:** Chairs of committees will be assigned on a more proportional basis, while legislation will typically be introduced in a heads of Bill format to increase the chance of cross-party support

- **Initiation of Legislation and Guillotines:** We will give committees the power to introduce legislation, while a new *10 Minute Rule* will allow backbench TDs to introduce their own Bills. We will also tackle the huge over-use of guillotines to ram through non-emergency legislation

**Women in Politics:** Fine Gael recognises that there needs to be a substantial increase in the number of women in politics. We will ask the Citizens Assembly, which is examining electoral reform, to make recommendations as to how the number of women in politics can be increased.

### 17.3 Fine Gael Will Overhaul the Way Politics and Government Works

**Devolving Power to Citizens:** Government is too centralised and unaccountable. Fine Gael believes that there must also be a real shift in power from the State to the citizen.

- **Open Government Bill:** This will significantly strengthen Freedom of Information; establish a “whistleblowers charter”; register all lobbyists; and create a new Electoral Commission.
- **A Ban on Corporate Donations:** Fine Gael will introduce the necessary legal and constitutional provisions to ban corporate donations to political parties.
- **Stronger Local Government:** We will move many of the functions currently being performed by agencies – such as community employment and enterprise supports – back to local government and ensure that all property-related revenues are part of the income stream of local government.
- **Reducing the Voting Age to 17 and Giving Citizens the Right to Vote at Irish Embassies in the Presidential Election:** If this experiment is deemed a success Fine Gael will consider extending this practice to general elections.

### 17.4 Tackling Cronyism and Feather-Bedding in Politics

**Cleaning Up State Boards:** Where appropriate, Agency boards will be scrapped and managers will be accountable directly to Ministers on performance against targets. Where Agencies can justify continued separate legal identities and boards of governance, we will strengthen their democratic accountability by introducing parliamentary scrutiny of the appointment of their chairpersons. Vacancies for all remaining paid directorships on public boards will be advertised on the website of the Public Appointments Service, and short-lists of qualified applicants will be presented to Ministers. To facilitate the transition to the new regime, the directors of all State bodies will be asked to resign and re-apply for their positions within six months of a Fine Gael led Government coming into power.

**Severance Pay and Pensions:** Fine Gael will abolish severance pay for Ministers. We will restrict the payment of pensions to politicians so that a pension can only be received after someone has ceased to be a TD and reached the national retirement age (currently 65). We will cap taxpayers subsidies for pension schemes for politicians (and indeed for everybody) that deliver income in retirement of more than €60,000.

**Ministerial Cars:** We will halve the cost of the existing provision of ministerial transport. We will end the automatic entitlement to a State car for every Government Minister. Instead, Ministers will be encouraged to take public transport or use a personal car where appropriate. We will also introduce a car pooling system for Office Holders, where cars are available at short notice with security-cleared drivers for Ministers.

**Government Jet:** We will introduce a new code of practice for the use of the government jet, ensuring transparent and cost effective travel. To stamp out any abuse, cheaper commercial alternatives must be taken when possible and permission to use the jet will require sanction from the Taoiseach’s Department.

# 18. Public Finances and Taxation

Ireland now relies on other Governments and international institutions to fund our State. That Ireland has been brought to this tragic juncture in our history reflects a massive loss of market and international political confidence in the last Government's economic policies.

Bringing order back to our public finances is now crucial to restoring our national sovereignty. Those who founded the State sought to create the economic foundations for our political independence. The purpose of the next Government, and the next generation, will be to turn again to that task.

## 18.1 A Plan for a Current Budget Surplus

**IMF-EU Fiscal Targets:** Fine Gael accepts the fiscal targets set out in the National Recovery Plan, including the 3% of GDP deficit target by 2014. We will review the scale, pace and timeframe of the fiscal adjustment with the EU and IMF on an annual basis to take into account developments in the real economy.

**€9 Billion 3-year Deficit Reduction Programme:** Fine Gael's Budgetary Programme sets out a 3-year budget programme delivering €8.9 billion in deficit reduction measures by 2014, including growth-enhancing measures and other policies needed to bring order back to our public finances in a fair and credible manner.

**A Current Budget Surplus by 2016:** On the basis that Ireland achieves the growth rates projected under the ESRI's Recovery Scenarios ("low growth scenario" updated in July 2010), Fine Gael will achieve a surplus of revenues over the day-to-day cost of running the Government by 2016. By 2016, a Fine Gael Government will only borrow to finance the investments needed for a growing economy and population.

**Earmarking the Proceeds of Growth to Debt Reduction and Investment:** In setting this target, Fine Gael is committing to using any proceeds of growth over the final two years of the next Government to finance debt reduction and/or investment, rather than the types of pre-election tax and current spending give-aways under Fianna Fáil that have so damaged our economy.

**Renegotiating the IMF-EU Programme of Support:** While Fine Gael accepts the IMF-EU deficit reduction targets, we will seek to renegotiate with our EU partners to make the total cost of the bail-out package more sustainable and affordable. Making Irish taxpayers borrow up to €25 billion in additional funds from the EU / IMF at 5.8% to cover additional bank losses from fire-sales of loans and other bank assets to UK hedge funds could push Irish Government debt to unsustainable levels and hinder recovery. We will seek a mandate from the Irish people to renegotiate a more credible, fairer package that is better for Ireland and Europe (see Section 3).

## 18.2 Tackling the Deficit in a Way that Supports Growth and Jobs

**Maintaining Investment in Vital Networks:** As confidence in the Irish public finances is restored, Fine Gael will sell state assets, reallocate the National Pension Reserve and restructure the commercial semi-state sector to bring forward €7 billion in extra investment in water services, telecommunications and energy, aimed at supporting demand and employment, and at providing the basis for sustainable, export-led growth. These will be profitable, commercial investments. In this way, these investments will not count as Government expenditure, and their benefits to jobs, growth and taxation will underpin fiscal consolidation.

**Keeping Tax Increases to a Minimum:** Under a Fine Gael Government, tax increases will constitute 27% – or €2.4bn – of the €8.9bn in measures needed to hit our fiscal targets. International evidence shows that tax hikes on average raise the unemployment rate by three times more than spending cuts.

This approach will bring total Government spending back to 50% of GNP by 2014, from 59% in 2010. This will also set Ireland on a path towards the share of tax and Government spending in the economy recorded in the late 1990s, when the Irish economy was returned to full employment through strong export-led growth.

### **18.3 Protecting our Competitiveness by Keeping Taxes on Jobs and Investment Low**

**12.5% Rate of Corporation Profit Tax:** Fine Gael will protect the Corporation Profit Tax rate at 12.5%. Our low corporation profit tax rate remains an anchor of Irish industrial policy that draws foreign direct investment and jobs into Ireland, fosters innovation and keeps companies from leaving for non-European lower cost locations.

**No Further Increases in Income Taxes:** Following the massive income tax hikes of recent years, as well as the introduction of the Universal Social Charge, Ireland is no longer a low tax country when it comes to income tax. That is why Fine Gael opposes proposals to raise either the standard 20% or the top 41% rate of income tax, or the further reductions to tax credits and bands proposed in the Government's 4-year plan. Combining the top 41% income tax rate, 4% employees' PRSI and the top 7% Universal Social Contribution, the marginal rate is already 52% for income earned over €32,700 per annum. Increasing the marginal rate further would be counterproductive. It would discourage people from working harder, doing overtime and aiming for promotion. It would inhibit companies from creating and locating highly-paid knowledge economy in Ireland, and it would push self-employed people into the grey economy.

**Employers' PRSI:** There will be no increased tax on employment such as Employers' PRSI which can be as high as 10.75%. To help employers hire people off the dole, we will halve Employers' PRSI on jobs paying up to €356 per week for two years.

### **18.4 Other Tax Reforms to Support Job-Intensive Consumer Spending**

**VAT Reform:** The rise in the standard 21% rate of VAT committed to by this Government will be accompanied by a temporary (2-year) cut of at least 1.5% in the reduced 13.5% rate of VAT on labour-intensive services (construction, hotels, restaurants, hairdressing, newspapers etc.), bringing it down to 12%. This will boost the competitiveness of our tourism sector and help divert domestic consumer spending from import-intensive goods into labour-intensive domestic services.

**DIRT:** Deposit Interest Retention Tax (DIRT) will be increased from 25% to 30% to encourage higher levels of household consumption.

**Carbon Tax:** The €15 per tonne increase in the carbon tax (to €30 per tonne) proposed by government for 2014 is excessive, and will be particularly hard felt by the elderly and in rural Ireland. We will reduce the increase proposed in Fianna Fail's Manifesto by €5 per tonne (to €25), with the effect that, compared with Fianna Fail's proposals, a bag of coal will be 60c cheaper, a tank of petrol (60 ltr) will be 78c cheaper, and a 1,000 litres of fuel oil for home heating will be €17 cheaper. The application to solid fuels of the higher carbon tax proposed by Fianna Fail will be phased in only when progress is made to control imports of dirtier, more carbon-intensive solid fuels from the UK. To keep our food industry competitive, we will provide an exemption from the additional carbon tax increases for agricultural diesel.

### **18.5 Other Tax Measures to Support Jobs, Enterprise and Growth**

**Travel Tax:** International access is vital to Irish economic recovery. That is why Fine Gael will abolish the €3 travel tax subject to a deal being agreed with Ryanair and Aer Lingus to re-open closed routes and bring more tourists into Ireland. If no deal can be done, there will be no reduction in the tax.

**A Single Business Tax for Micro Enterprises:** Fine Gael will direct the Revenue Commissioners to examine the feasibility of introducing – on a revenue neutral basis – a Single Business Tax for micro enterprises (with a turnover of less than €75,000 per annum) to replace all the existing taxes on sole traders and small businesses (i.e. income tax, corporation tax, capital gains tax, VAT and PRSI). This could cut compliance costs and make starting a business much less daunting.

**Making the R&D Tax Credit More Accessible to Small Firms:** We will amend the R&D tax regime to make it more attractive to smaller businesses. All R&D expenditures below €100,000 in any one year will become allowable, as opposed to just the increment over the 2003 base year. We will also give companies the option to offset the R&D credit against employers' PRSI as an alternative to corporation tax.

**Accelerated Capital Allowances on Software Purchases:** To help companies to finance additional investment in technology, we will accelerate Capital Allowances (from eight to three years) on software purchases. This will not only support local, high-tech jobs in the software industry but will also facilitate productivity increase across the economy.

**Simplifying Tax Compliance:** We will allow all companies to base their preliminary corporation tax returns on prior year tax liabilities, reducing their need to hire advisers to estimate their current year tax liabilities before the year is finished. We will also combine PRSI and tax data for employees, and simplify PRSI classes. To ensure that this is a revenue neutral proposal for the State, we will also consider bringing forward a proportion of the payment to earlier in the fiscal year.

## 18.6 Equitable taxes

**Civil Partnership:** We will amend tax law in a second Finance Act in 2011 to give effect to the rights for civil partners and cohabiting couples introduced in the Civil Partnership Act 2010.

## 18.7 Cutting the Deficit by Broadening the Tax Base

**Closing Down Tax Loopholes for the Rich:** Income tax yields will be increased by restricting or eliminating tax expenditures, tax shelters and tax exemptions to ensure that the wealthy cannot avoid paying their fair share. We will suspend (now closed) property-based tax reliefs (subject to the forthcoming impact assessment study), introduce new residency rules for tax exiles (as per the Commission on Taxation's "Economic Test" and reduce the threshold of the application of the minimum effective 30% tax rate to €250,000.

**Water Charges:** Fine Gael will only support the introduction of household water charges when responsibility for water delivery is transferred from 34 local authorities to a single national water company, which will be responsible for cutting operating costs and making the investments needed to fix water leaks, as set out in detail in our NewERA plan.

**Bank Dividends/Levy:** As banks return to profitability and private ownership, we will target additional contributions from the sector to repay the Irish taxpayer for the cost of the bank bail-outs. Initially, these contributions will be in the form of dividends, but will over time be restructured into an additional bank levy on the liabilities of the Irish banks that receive an explicit or implicit guarantee from the Irish State.

**Funding Local Government:** Fianna Fail's proposal, now endorsed by the Labour Party, to introduce by 2014 an annual, recurring residential property tax on the family home is unfair. But as we tackle the fiscal crisis, we will have to cut central exchequer funding for local authorities, and we recognise that local authorities will have to find more sustainable sources of revenue appropriate to local circumstances. What will be viewed as fair in South Dublin might be viewed as unworkable in rural Clare.

In this context, we will empower local authorities to put in place, following the 2014 local elections, fairer



alternatives to Fianna Fail's and Labour's recurring annual tax on the family home. The options would include:

- No extra local taxes, forcing local authorities to close non-priority services and / or to deliver increased efficiencies;
- Increased local user charges for waste etc.; or
- The option of a local "site sale profits tax". Such a tax would be levied on the profit made from the site value on the sale of a residence (sales proceeds, less cost indexed by inflation, less stamp duty paid and less home improvements)

The final measure might be considered as both fairer and more economically sensible than an annual recurring property tax. Whichever option local electorates choose, for the first time since the 1970s local government will have real independence from central government in deciding what services to provide at local level and how to fund them.

**Environmental Taxes:** We will auction carbon permits under the EU Emissions Trading System from 2013. Following consultation with industry, Fine Gael will introduce a new levy on packaging to prevent excess waste from entering the waste cycle in the first instance.

**Betting Tax:** Fine Gael will draw from successful betting tax regimes in other jurisdictions to capture revenue from overseas online betting operations that sell into the Irish market. The current regime will only raise revenues from Irish operators and is therefore a tax on Irish jobs.

**A Fair Pensions Tax Reform:** As a fairer and more effective alternative to Fianna Fail's plans, we will make tax savings of a similar scale through a combination of the following measures:

- A temporary, annual 0.5% contribution for all private pension funds, so that older beneficiaries of past tax relief make some contribution to deficit reduction. An equivalent reduction could be applied to public and private sector defined benefit entitlements;
- Abolition of PRSI relief on employer pension contributions;
- Allowing defined contribution pension savers to access funds early to meet their current business and personal responsibilities (and taxing the draw-downs);
- A cut in the standard fund threshold for pensions to €1.5 million for public and private sector workers, while also increasing the notional annuity cost of defined benefit, final salary schemes from the current 20:1;
- An increase in the "deemed distribution" rate on large (Annual Retirement Funds ARFs) to avoid their use for inheritance tax planning.

**Capping Tax Relief on Big Pensions:** The net objective of our changes will be to cap taxpayer contributions to existing public and private sector schemes that deliver pensions of greater than €60,000 in retirement, while maintaining adequate incentives for younger, middle incomes families to continue to save for their retirement. There will, per usual, be transition arrangements for those approaching retirement.

**Fair Tax Treatment of Personal Retirement Savings Accounts (PRSAs):** We will put the tax treatment of employer contributions to Personal Retirement Savings Accounts (PRSAs) on an equal footing with employer contributions to occupational pension schemes.

## 18.8 Public Sector Numbers and Payroll

**Additional Reduction in Back-Office Public Sector Numbers:** As set out in our Reinventing Government plan, Fine Gael will reduce the size of the public service by 10% – just over 30,000 – without undermining key front-line services in health, policing and education, through over 105 reforms to cut back-office bureaucracy and delivery improved value for money. This means that Fine Gael will reduce back-office administrative positions in the public service by an additional 18,000 over and above the 12,000 reduction



set out in Fianna Fail's 4-year plan and by an additional 12,000 over the 18,000 reduction set out in Labour's plan. All of these extra reductions will be targeted at back-office administrative functions. These extra reductions will be achieved through voluntary redundancies.

**A Smaller Civil Service:** As part of the overall reduction in numbers, the numbers of staff working in central Government Departments will be cut by one-third, in part through six new shared-service operations in Payments and Entitlements; Business Inspections; Pay and Pensions Administration; Procurement and Property Management; IT; and Finance and Accounting.

**A Smaller Political System:** We will seek to cut the number of national politicians by 35%, while improving the ability of our Parliament to hold the Government and its agencies to account.

**Additional Measures to Cut Public Sector Payroll Costs:** Excluding savings from headcount reductions, Fine Gael will seek additional payroll savings of 1% each year, to be negotiated and delivered locally, out of the costs of overtime, sick leave, flexitime, special allowances and expenses.

**Leading by Example:** A Fine Gael Government will implement the pay reductions for the 650 most senior public servants recommended by the Review Body on Higher Remuneration in 2009. Fine Gael will also set a salary cap of €200,000 across politics and the public sector.

## 18.9 Savings in Programme Spending from Reform and Re-Prioritisation

**Comprehensive Spending Review (CSR):** Within six months of entering Government, we will complete a Comprehensive Spending Review to identify non-priority and non-performing programmes, and services that could be delivered in new ways at less expense to the taxpayer. This review will be steered by a senior cabinet sub-committee and will critically examine every public spending programme against six key tests:

- Does the programme serve the national interest or vested interests?
- Should the service be funded by taxpayers or service users?
- Is the State the best provider?
- Is it effective in meeting its goals?
- Can its efficiency be improved?
- Is it affordable in the current context?

**An Bord Snip:** As part of the CSR, we will deliver at least half of the savings options from the Special Group on Public Expenditure and Numbers ("An Bord Snip") including 100% if the savings recommended in the Oireachtas budget.

**Local Government Efficiency Review:** As part of the CSR, Fine Gael will deliver at least 80% of saving options from the Local Government Efficiency Review.

**Quangos:** As part of the CSR, we will cut the number of Government quangos, regulators and inspectorates by 145, ending the confusing, wasteful fragmentation in service delivery.

**Health:** Our FairCare reforms represent the most radical overhaul of the health system in the history of the State. By treating people with chronic illnesses in the community instead of acute hospitals, by only paying hospitals for what they deliver instead of giving them block budgets and ultimately by dismantling the expensive HSE bureaucracy, it will be possible to make significant further savings in the health budget while protecting, and ultimately improving, the quality of Ireland's health service.

**Education:** In order to avoid further increases in pupil-teacher ratios, we will work with the education

partners to seek further efficiencies in work practices – in line with the Croke Park Agreement – and to devolve more power to school principals and teachers to make tight budgets go further.

**Enterprise and Training:** We will create a new ‘one stop shop’ for getting back to work, the Payments and Entitlements Service. It will provide extensive skills assessment, training guidance and job referral services to the unemployed, as well as other welfare and service entitlements. Many job-seekers will continue to be referred to existing FAS training centres and services, which will operate under a new slimmed down governance structure. Community Employment schemes will be maintained and expanded but will be managed by local authorities.

**Justice and Policing:** We will protect front-line policing by making savings in other areas. We will abolish Prison Visiting Committees and amalgamate the Probation Service and Irish Prison Service into a single Offender Management Service. We will reform the immigration system by establishing an independent appeals mechanism which will reduce costly High Court judicial review cases. We will extend court sittings to reduce the length of the asylum list and clear the backlog of those who need to be accommodated pending their hearing. We will reform sentencing to cut the number of people in prisons for non-violent offences, such as non-repayment of debts.

**Energy Saving Subsidies:** We end of taxpayer subsidies for residential and business energy saving technologies in 2014, helping to achieve fiscal targets in 2014 while also stimulating extra activity in this area as people accelerate investment plans in the interim period. From 2013, we will shift to a ‘Pay as You Save’ scheme and on insulating public buildings that does not require taxpayer subsidies.

**More “Choice and Voice” for Service Users:** Across the public service, we will seek opportunities to make limited resources go further by giving service users more choice and influence. Rather than giving fixed budgets to traditional public service providers like the HSE, VECs and FÁS, we will put resources into the hands of citizens to acquire services that are tailored to better suit their needs and less expensive for the taxpayer.

## 18.10 Cutting Welfare Costs While Protecting the Most Vulnerable

**Protecting the Most Vulnerable:** Fine Gael is committed to achieving the targets in the National Action Plan for Social Inclusion to reduce the numbers of people experiencing poverty. Fine Gael will not cut the Old Age Contributory or Non-Contributory Pension. Working-age payments to carers, the blind and the disabled will be maintained at current levels.

**Universal Social Charge:** Fine Gael will carry out a review of the effect of the Universal Social Contribution on work incentives and employment participation in time for the 2012 Budget.

**Making Work Pay:** Welfare will be reformed to make re-entry into paid work more attractive. As wage levels in the economy revert to more competitive levels in order to protect employment, it will be necessary and fair to also reduce social welfare payments for those with the capacity to work beginning with €3 weekly cuts in 2012 and 2013 and a final €4 cut in 2014. Rent supplement and other secondary benefits will be converted into means-related supports that are unaffected by working status (with tapered withdrawal). There will be additional conditionality whereby benefits will be reduced if recipients refuse offers of training, education or work experience.

**Tackling Social Welfare Fraud:** Further reductions in job-seekers’ payments and other working age social welfare payments will be minimised by cutting the massive levels of fraud, mistakes and administrative cost associated with the current welfare system. Fine Gael will create, out of a merger and rationalisation of existing structures, a new “one-stop shop” Payments and Entitlements Service (PES) to process all major welfare and other entitlements. The PES will be mandated to apply global best practices to cut down on fraud and mistakes in the social welfare payments, including the introduction of a new ‘Smart Identify

System” and of new powers to withdraw or reduce welfare payments for people convicted twice of a welfare offence.

**Pensions:** Fine Gael will increase the age at which people qualify for the State Pension to 66 years in 2014, in line with the existing EU/IMF agreement. Fine Gael will fundamentally reform the pension system to set Ireland on a path to achieve universal coverage, more generous supports for the lower paid, greater equity between public and private sector workers, lower costs, lower risks for individual savers and more flexible retirement arrangements.

**Social Protection for Entrepreneurs:** We will appoint a Commission to report within six months on changes that should be made to the tax and social welfare system to provide greater protection for self-employed people who fall on hard times.

**A More Targeted Child Allowance:** In government, Fine Gael will implement a rebalanced and integrated “Child Income Support” with universal and targeted components to make the overall system more coherent and effective, and to deliver target savings of €250 million by 2014 (about 7.5% of the current total budget for child supports). The “Child Income Support” will replace Child Benefit, the Qualified Child Increase and the child related component of the Family Income Supplement. It will be integrated into the social insurance system to support the low paid at work. We will protect the 300,000 children at greatest risk of poverty from any cuts in child income support.

### 18.11 Smarter Ways to Prioritise, Fund and Deliver Infrastructure

**NewERA:** Under Fine Gael’s NewERA plan, streamlined and restructured semi-State companies will invest an additional €7 billion, over and above current plans, over the next four years in “next generation” infrastructures in energy, broadband, forestry and water. Some of these investments – in water infrastructure for example – will offset cuts to exchequer spending planned by the present Government.

**The National Pension Reserve Fund:** In discussions with the IMF, Fine Gael has confirmed that some funds from the National Pension Reserve Fund and proceeds from the sale of state assets are available, under conditions to be agreed, to finance the NewERA investment programme. The investment programme – and the accompanying semi-state restructuring process – will be financed and pro-actively managed by a New Economy and Recovery Authority (NewERA), which will absorb the current National Pensions Reserve Commission. In the longer-term, sales of state assets will help reduce Ireland’s debt levels to help prepare the public finances for increased pension spending on an ageing population.

**Re-Prioritisation of Exchequer Capital Spending:** Given the constrained fiscal situation, exchequer capital funding will be reprioritised for smaller projects that deal with specific immediate problems. Recent weather events have resulted in significant damage to existing infrastructures. Dealing with specific local bottlenecks carries the highest return. Not dealing with this damage is likely to result in a further deterioration of the infrastructure and will have wider economic costs. Smaller projects are more labour intensive and more likely to be carried out by local contractors increasing short-run domestic economic impact.

**Review of Decision Making Processes:** In the absence of proper structures and procedures for the selection of projects, many projects that have been promoted by the current Government are highly questionable. Going ahead with these without a re-evaluation risks wasting scarce resources. We will review the structures and processes used to make decisions on major infrastructure projects/programmes. The current situation where agencies, whose *raison d’être* depends on finding new projects, control the decision making process is subject to significant moral hazard.

## 18.12 Budget Reform to Eliminate Waste and Restore Confidence

**Independent Fiscal Council:** Fine Gael will establish an independent Fiscal Council and a fiscal responsibility law to ensure that Governments respect prudent fiscal rules set by the Oireachtas, and to assess the economic assumptions on which Government budgets are based.

**Constitutional Balanced Budget Amendment:** We will ask the Oireachtas Finance Committee and the new Independent Fiscal Council to complete an assessment within six months of the merits of proposing a constitutional amendment – which would have to be approved by referendum – to set limits on the freedom of any future Government to spend more than it takes in revenue, adjusting for the cyclical state of the economy and for natural disasters.

**Opening up the Budget Process to More Scrutiny:** Fine Gael will open up the Budget process to the full glare of public scrutiny in a way that restores confidence and stability by exposing and cutting failing programmes and pork barrel politics. Public bodies will be required to openly compete for budget resources by publishing their pre-budget spending requests, and what they would deliver in return for such allocations to help deliver the Programme for Government. Fine Gael will publish cost-benefit analyses for major infrastructure proposals and “tax expenditures” in advance of Government approval.

**Office of Public Spending and Modernisation:** Responsibility for public service modernisation (including the preparation of the annual spending estimates) will be vested in a new Office of Public Spending and Modernisation, which will also be responsible for expenditure management within the overall envelopes determined by the Minister for Finance, and will be represented by a Minister at Cabinet.

**Reforming the Department of Finance:** For too long the Department of Finance has misdiagnosed the state of the Irish economy, damaging the country’s credibility with international markets. A Fine Gael Government will make an external appointment through open competition of an economist of international repute to head up the Department’s Budget and Economic Policy division.

**More Spending Transparency:** Every Purchase Order by a Government Department or agency for more than €20,000 will be published online. We will also give the Comptroller and Auditor General and Oireachtas Committees the extra powers needed to carry out value-for-money audits of State programmes.

# 19. Public Sector Reform

Changing the politicians around the cabinet table is necessary to restore confidence in Ireland's Government, but that alone will not be enough to put the country back on track. What are also needed are fundamental changes in the structures and systems of the State itself to improve the quality of governance experienced by the country, and to chart our economy's course back to full employment.

## 19.1 A Smaller, Better, Less Expensive Government

**Reinventing Government:** Our *Reinventing Government* plan commits Fine Gael to making over 100 real, tangible changes to the shape, size, ethos and ways of working of the State and its public service designed to:

- Save one euro in every ten spent by public bodies – over €5 billion – by confronting waste, duplication and inefficiency;
- Cut the size of the public service by at least 10% from 2010 levels (30,000 positions), including a one-third cut in the numbers of politicians and of staff working in Government Departments, protecting resources for the front-line;
- Cut the number of public bodies, regulators and inspectorates by 145, ending the confusing and wasteful fragmentation in service delivery;
- Pin down accountability for results at every level of the public service – from Ministers down – with clear consequences for success and failure.

**Croke Park Agreement:** Pending a built-in review of its implementation, Fine Gael remains committed to honouring the pay elements of the Croke Park Agreement. Fine Gael has always indicated its commitment to go beyond the Croke Park Agreement in terms of the reform agenda needed to get Ireland working again. The planned reduction in public sector numbers will be achieved through voluntary mechanisms.

## 19.2 A Smaller, More Strategic, More Skilled Centre of Government

**A Cabinet Office:** We will downsize the Department of An Taoiseach, re-assigning non-core functions and transforming it into a Cabinet Office that oversees the delivery of a new Programme for Government.

**Reforming the Department of Finance:** We will bring in new leadership and skills into the Department of Finance to restore its capacity and credibility in financial and macro economic management.

**Office of Public Spending and Modernisation:** Responsibility for public service modernisation (including the preparation of the annual spending estimates) will be vested in a new Office of Public Spending and Modernisation, which will also be responsible for expenditure management within the overall envelopes determined by the Minister for Finance, and will be represented by a Minister at Cabinet (analogous to the Chief Secretary of the Treasury in the UK).

**Senior Public Service:** We will create a new Senior Public Service where senior officials are rotated across the public sector to nurture the collaborative culture needed to tackle the biggest cross-cutting social and economic challenges.

**A Smaller Staff in Government Departments:** As routine tasks are rationalised and automated and control over service delivery is devolved to the front-line, we will reduce the number of civil servants working in central policy-making Departments by a third (from about 17,000 at present).

**Upskilling:** Civil servants from Administrative Officer grade and above will be required to adopt a specialised "skills stream", such as human resources management, procurement, finance, economics, corporate services or information technology. This will require additional investment in upskilling across the civil service.

**Bringing in New Skills:** All appointments at Principal Officer and above will be open to external competition and at least one-third of such appointments will be reserved for candidates from outside traditional civil service structures for a 5-year period.

**Setting an Example during Fiscal Austerity:** We will set a salary cap of €200,000 across politics and the public sector. The pay reductions for 650 of the most senior public servants recommended by the Review Body on Higher Remuneration in 2009 – will be implemented.

## 19.3 Greater Openness and Performance Accountability

**Public Service Agreements:** Ministers in a Fine Gael Government will sign – in public – Public Service Agreements with service delivery bodies, specifying the activities, outputs and long-term outcomes that the Government will promise to the Oireachtas in return for money from the taxpayer.

**On-Line Work Plans:** Consistent with the new Agreements, the individual annual work objectives of the top 1,300 civil servants (Principal Officers and above) will be published on-line.

**Public Service Delivery Reports:** Performance and progress will be published in new, audited annual Public Service Delivery Reports. Oireachtas Committees will expose failure to hit milestones and targets. In this sense, every Committee will take on new powers similar to those currently wielded by the Public Accounts Committee to hold Ministers and public servants to account for value for money in their relevant areas. This will then feed into the Oireachtas' consideration of the next Budget.

**More Accountable Agencies:** Where appropriate, agency boards will be scrapped and agency managers will be accountable directly to Ministers on performance against targets as part of a new UK-style “executive agency” governance structure.

**Public Bodies:** We will encourage all public bodies to take due note to equality and human rights in carrying out their functions.

**Appointments to Agency Boards:** Where agencies can justify continued separate legal identities and boards of governance, we will strengthen their democratic accountability by introducing parliamentary scrutiny of the appointment of their chairpersons. Vacancies for all remaining paid directorships on public boards will be advertised on the website of the Public Appointments Service, and short-lists of qualified applicants will be presented to Ministers. To facilitate the transition to the new regime, the directors of all State bodies will be asked to resign and re-apply for their positions within six months of a Fine Gael led Government coming into power.

**Freedom of Information:** Restrictions introduced by recent Governments to Freedom of Information in the public sector will be reversed.

**Open Government:** Subject to exceptional considerations, memos to Government prepared by the civil service will be published within two years. We will also empower public servants to give testimony to the Oireachtas on matters of policy, reflecting the reality of the authority delegated by Ministers to them and their accountability for the way it is exercised.

**OpenGov.ie:** We will establish a new public sector website [www.opengov.ie](http://www.opengov.ie) to publish more Government data for public sector scrutiny, including:

- Real-time public sector purchase orders for over €20,000
- Real time energy consumption data for Government departments and agencies
- Real-time hospital waiting times and latest infection rates
- Pay levels for top public sector staff
- Absenteeism levels for every public sector body

## 19.4 Revolutionising the Budget

**Fiscal Advisory Council:** We will establish an independent Fiscal Advisory Council within the Oireachtas to ensure that future Governments respect new, prudent fiscal rules set by the Oireachtas.

**Open Competition for Resources:** Public bodies will be required to openly compete for budget resources by publishing their pre-budget spending requests during the Estimates Process, together with the promised activities and outputs for the citizen.

**Cost-Benefit Analyses:** We will publish cost-benefit analyses for proposed major infrastructure projects and “tax expenditures” in advance of Government approval.

**Transparency in Public Spending:** Public sector bodies will be required to publish balance sheets and to move to accruals from cash-flow accounting. Every Purchase Order for more than €20,000 will be published online.

**More Rigorous Value-for-Money Audits:** We will give the Comptroller and Auditor General and Oireachtas Committees the extra powers needed to carry out value-for-money audits of State programmes.

## 19.5 Streamlining Government and Cutting Quangos

**An Bord Snip:** We will implement a majority of the (non social-welfare) recommendations from the McCarthy Report, including all the recommended savings for the Oireachtas and running the political system.

**Local Government Efficiency Review:** We will deliver at least 80% of the spending savings recommended by the Local Government Efficiency Review, including cutting the number of county/ city managers from 34 to 24 and the number of senior managers in the Dublin and Cork local authorities by 15%;

**Shared Back-Office Services:** We will establish three new shared service operations for Human Resources, Information Technology and Legal Services. Once established, we will cut 10% off the administration budgets of all Government Departments and public bodies to reflect to cost efficiencies available from procurement of services from these new shared service organisations.

**A “One Stop Shop” Public Entitlements Services:** We will create, out of a merger and rationalisation of existing structures, a new “one-stop shop” Public Entitlements Service (PES) to process citizen entitlements, including supplementary welfare allowances managed by the HSE Community Welfare Officers; medical card applications administered by the HSE; higher education grants administered by local authorities and VECs; housing supports administered by local authorities; welfare allowances administered by the Department of Social Protection and employment referral and training supports provided by FÁS.

**A Business Inspection and Licensing Authority:** Out of a rationalisation of existing structures, we create a Business Inspection and Licensing Authority (BILA) that absorbs the existing business inspection activities of Departments and agencies, starting with the Health and Safety Authority (safety laws); the National Consumer Agency (pricing displays and consumer laws); and the National Employment Rights Authority (labour law).

**Irish Water:** We will establish a single state-owned commercial water company – ‘Irish Water’ – to take over and rationalise the water functions of 34 local authorities, to address Ireland’s water needs in the 21st century.

**SmartGrid:** We will merge ESB Networks, Eirgrid and Bord Gais Networks into SmartGrid a single energy grid operator for Ireland.

**Bio Energy and Forestry Ireland:** We will merge Coillte and Bord na Mona into a new single renewable energy leader, Bio Energy and Forestry Ireland.



**Broadband 21:** We will merge State-owned telecoms assets (spread between ESB, MANs, CIE, Bord Gáis, National Roads Authority and Waterways Ireland) into 'Broadband 21' to work with private sector providers to accelerate the build-out of a next-generation broadband network across the entire country.

**Cutting Quangos:** Altogether, we will reduce the number of State bodies and companies by at least 145.

## 19.6 Investing Now to Make Big Savings Later

**First Steps:** A proportion of the savings from our reform programme will be earmarked to fund a new, targeted First Steps early childhood education programme aimed at breaking the cycles of disadvantage and at providing pathways out of poverty.

**Social Investment Bonds:** We will introduce new Social Investment Bonds to finance a new generation of "social entrepreneurs" to work alongside the State in tackling many of the most difficult social problems, including obesity, illiteracy and criminal recidivism.

## 19.7 More "Choice and Voice" for Service Users

**'Money Follows the Service User':** Rather than giving fixed budgets to traditional public service providers like the HSE, VECs and FÁS, we will put resources into the hands of citizens to acquire services that are tailored to better suit their needs and less expensive for the taxpayer.

**School Reports and Patronage:** Schools will publish annual reports taking into account exam results, facilities, extra-curricular activities, ICT resources, and special education resources. We will also deliver better choice, diversity and standards in education by asking parents who they want at the helm of their children's schools.

**Training Vouchers:** To support training, we will re-allocate money from FÁS into Training Vouchers that allow the unemployed to define and acquire their own re-skilling needs.

**Money Follows the Patient:** Instead of giving block budgets to hospitals, our FairCare plans will put in place a "money follows the patient" system that pays hospitals for the patients they treat.

**Personal Care Budgets:** We will also give – out of existing HSE resources – adults and children with disabilities and their families the option of Personal Care Budgets to choose the services they want and need.

**Fix My Street:** In local services, we will establish a website – [www.fixmystreet.ie](http://www.fixmystreet.ie) – to allow residents to report to problems with street lighting, drainage, graffiti, waste collection and road and path maintenance in their neighbourhoods, with a guarantee that a local official will respond within two working days.

## 19.8 Empowering Public Servants by Devolving Authority

**Devolved Authority:** Agencies across the public service will get devolved authority – within strict budget caps – to set their staff levels, recruit staff, automate or outsource routine processes and adapt employment conditions to local staff and customer needs.

**Hospital Trusts:** We will, among other things, transfer the governance and management of HSE Hospitals to Hospital Trusts, free to determine their staff mix and to find ways to incentivise cost efficiency, productivity and quality. When the reform process is complete, the HSE itself will be dismantled.

**School Autonomy:** We will give school principals more discretion as to how the school's budget is deployed.



## 20. Tourism

Our tourism industry sustains jobs, generates significant revenue and sells a positive image of the Irish brand globally. Under Fianna Fail's watch, visitor numbers have reverted back to 1998 levels and revenue is down by €1.8 billion since 2007. At the heart of our tourism sector are thousands of small businesses that are being crippled under the current economic climate.

Fine Gael will develop Ireland's potential as a tourism destination, using our unique natural resources, cultural tradition, creative artistic and literary credentials that our country has to offer to bring tourists back to Ireland. We will do this by increasing competitive access to Ireland and developing a more competitive business environment.

### 20.1 Access

**Travel Tax:** International access is vital to Irish economic recovery. That is why Fine Gael will abolish the €3 travel tax subject to a deal being agreed with Ryanair and Aer Lingus to re-open closed routes and bring more tourists into Ireland. If no deal can be done, there will be no reduction in the tax.

**Airport Charges:** Fine Gael will work with the Aviation Regulator to cut airport charges in order to deliver increased routes, airlines and passenger numbers. We will allow Dublin, Cork and Shannon airports operate independently.

**Visitor Visas:** We will explore the possibility of a new agreement on visitor visas with the UK, offering tourists the opportunity to visit the UK and Ireland with one visa, at a reasonable cost. Ireland loses out on tourists from markets outside the EU because of unnecessary red tape. A new visa agreement with the UK would allow us to tap into the tourism market for significant events such as the forthcoming London 2012 Olympics.

### 20.2 Keeping Costs Down for Tourism Businesses

**Cut to VAT Rate:** We will reduce the 13.5% VAT rate to 12% for a period of two years which will benefit tourism businesses.

**Jobs Tax Cut:** Fine Gael will halve Employers PRSI on jobs paying up to €356 per week for two years. This will reduce by over 4% the cost of employing people in low paid sectors.

**SME Loan Guarantee Scheme:** Fine Gael will introduce a partial loan guarantee scheme for small and medium sized businesses.

**Reducing Other Labour Costs:** We will review and renegotiate Employment Regulation Orders (ERO) imposed on sectors such as hotels and restaurants.

**Rates Review:** Fine Gael will freeze rates and reduce them where possible. We will expedite the national revaluation programme by the Commissioner of Valuation to review rates for businesses including hotels.

### 20.3 Communicating our Tourism Message

**Tourism bodies:** We will streamline the bodies dealing with tourism marketing, promotion and product development to create a single voice for tourism.

**Marketing Spend:** We are committed to retaining a strong focus on marketing and see this as essential in bringing tourists back to Ireland.

**New Markets:** We will market the Irish tourism message in new markets such as Asia and untapped markets in continental Europe.

**London Olympics:** We will develop and effectively market a London Olympics 2012 strategy to bring as many tourists to Ireland during what will be a major tourism and sporting event in 2012.

## 20.4 Cultural Tourism

**Historic Visitor Attractions:** We will encourage the Office of Public Works and State agencies to work effectively together to develop clusters of visitor attractions as a significant tourist draw for certain areas, identifying attractions of outstanding scenic, cultural or historic appeal, of particular interest to those attracted to niche holidays.

**UNESCO World Heritage Sites:** We will prioritise the development of specific Irish historic and cultural sites that have the potential to obtain World Heritage Status.

**Holiday Packages:** We will target available resources at developing and co-ordinating niche tourism products and activity packages that are unique to Ireland and are attractive to international visitors with a particular focus on niche tourism areas such as; food, Sports, Culture, Ecotourism, Activity breaks, Water-based recreation and Festivals.

**Genealogy Tourism:** Fine Gael will examine the feasibility of releasing the 1926 census to stimulate genealogy tourism. We will also explore philanthropic opportunities for the development of a national archives and genealogy quarter, providing easy access to archives and tapping into an area of cultural tourism which is of huge interest to the vast Irish diaspora.

# 21. Transport

Ireland needs a safe, integrated and sustainable transport network that is efficient and provides the taxpayer with value for money. Fianna Fail has failed to confront poor performing transport organisations such as CIE and the DAA, and instead has allowed these companies to limit competition in their sector. The public can be better served by encouraging the private sector to invest in and compete with public sector monopolies.

We will promote ambitious and far reaching transport policies that tackle issues such as electric car networks and fully integrated transport services, while facilitating competition. We will also be putting public transport at the forefront of capital investment and will ensure these projects stimulate the economy, create jobs and improve our competitiveness.

## 21.1 Public Transport

**Nationwide Bus Competition:** We will completely overhaul the bus market in Ireland by introducing competitive tendering for all bus routes in the country as soon as practicably possible. More operators will provide more routes and services to the public and at a cheaper cost to the taxpayer and passenger.

**Community and Rural Transport Services:** We will maintain and expand the rural transport network as a reliable and sustainable transport service that is vital for rural communities. We will also deliver better services by integrating the school transport and non-emergency HSE transport with the Rural Transport Programme locally as much as is practicable.

**Rail Services:** We will support the expansion in range and frequency of high capacity commuter rail services, particularly Metro North and the Western Rail Corridor, which will be subject to a cost benefit analysis by independent experts. We also recognise the need to maximise the integration of our public transport services through route management and integrated ticketing.

**Rail Electrification:** Fine Gael supports the electrification of our rail network and will pursue further electrification subject to the availability of finance. Priority will be given to the electrification of the Maynooth to Dublin and Kildare to Dublin suburban rail lines.

**Public Transport Safety:** We will create a single transport safety body comprising the Road Safety Authority, the Railway Safety Commission and the Maritime Safety Directorate.

**Roll Out Park-and-Ride Facilities:** We will develop Park & Ride facilities as local transport 'hubs' with some local services beginning or terminating at the facilities. We will direct the National Transport Authority to take advantage of existing State lands to develop these facilities on major public transport routes into major urban centres.

**Taxis:** We will review the Nine Year Rule and will look at options to encourage existing taxi licensees to upgrade to new emission friendly vehicles. We will subsidise the upgrade of wheelchair accessible taxis. We will direct An Garda Síochána to robustly enforce taxi regulation through a national crackdown on illegal taxis.

**Public Electric Vehicles:** We will carry out a feasibility study to examine the possibility of replacing most government vehicles with electric vehicles.

## 21.2 Ministerial Transport

**Ministerial Cars:** We will end the automatic entitlement to a State car for every Government Minister. Ministers will be encouraged to take public transport or use a personal car where appropriate. We will also

introduce a car pooling system for Office Holders, where cars are available at short notice with security-cleared drivers for Ministers. We will halve the cost of the existing provision of ministerial transport.

**Government Jet:** We will introduce a new code of practice for the use of the government jet, ensuring transparent and cost effective travel. To stamp out any abuse, cheaper commercial alternatives must be taken when possible and permission to use the jet will require sanction from the Taoiseach's department.

## 21.3 Roads

**Roads:** We will adopt a road funding programme that is funded by the public purse and Public Private Partnerships. We will ensure that future PPP projects are designed better to ensure an equal risk between the State and private companies on falling traffic numbers.

**Road Maintenance:** We are committed to reprioritising capital funding to address the widespread deterioration in non-national roads due to recurrent severe weather. Fine Gael recognises the necessity of providing adequate funding for road maintenance and upgrade.

**Adopt a Road Scheme:** We will study an 'Adopt a Road' scheme that would allow private companies to advertise on national routes in return for contractual agreements to keep sponsored roads litter free and in good condition. The result will be better kept national roads and savings for the local authorities.

**Motorway Rest Areas:** We will ensure that motorway rest areas are built on all motorways. We will immediately seek private sector investment to design, build and operate these rest areas.

**Regulation of Private Clamping:** We have introduced legislation to the Dáil to regulate the vehicle clamping industry. In Government, we will pass new legislation to protect the motorist and regulate the industry.

**Incentives for Electric Vehicles:** We will proactively incentivise consumers to switch to low emission transport by providing an ambitious roll out of electric transport charging points and free parking for electric vehicles. We will invite companies from the private and public sector to roll out these charging points.

**Biogas as a Fuel Source:** We will apply international best practice to put in place a biogas and biofuel plan for the transport sector.

## 21.4 Road Safety

**Mandatory Alcohol Testing:** We will legislate for the introduction of mandatory alcohol testing at the scene of an accident very shortly after entering government.

**Drug Driving:** We will work with the Road Safety Authority to introduce the most up to date technology to test for drug driving. There must be a serious deterrent to combat the increasing prevalence for driving under the influence of drugs.

**Speed:** We plan a complete review and overhaul of speed limit zones and signage across the country. We will work with the RSA to develop "off road" driver learning centres to accommodate driver training in a safe and controlled setting. We will require local authorities to target accident black spots for prioritised upgrade. We will also ensure the increased use of speed cameras, specifically in accident black spots.

## 21.5 Cyclists and Pedestrians

**Rewarding Successful Programmes:** We recognise the success of the National Cycle Policy Framework and the Dublin Bikes initiative. We will continue to invest in these programmes.

**Prioritise Cyclists and Pedestrians:** We will ensure that cyclists and pedestrians have priority over road traffic in built up areas and central business districts, thus further encouraging low carbon travel.

**Safe Cycling:** We realise the need to redesign cycle-ways to improve the safety and priority of cyclists as set out in our local government reform document.

## **21.6 Aviation**

**Airport Charges:** Fine Gael will work with the Aviation Regulator to cut airport charges in order to deliver increased routes, airlines and passenger numbers. We will ensure that the Dublin Airport Authority is exposed to benchmarking and competition within its sector. We will allow Dublin, Cork and Shannon airports operate independently.

**Regional Airports:** We continue to support the role of our regional airports in a pro-active regional development strategy.

**Travel Tax:** International access is vital to Irish economic recovery. That is why Fine Gael will abolish the €3 travel tax subject to a deal being agreed with Ryanair and Aer Lingus to re-open closed routes and bring more tourists into Ireland. If no deal can be done, there will be no reduction in the tax.

**Air Traffic Controllers:** As an island nation, Air Traffic Controllers provide an essential service to the Irish economy. We will legislate to ensure any ATC grievances must first be taken to the Labour Relations Commission and then Labour Court before any industrial action can take place.