



Sinn Féin

Investing in Ireland's Future
Create Jobs – Create Growth

Sinn Féin's Jobs Plan

Ag Déanamh Infheistíochta
i dTodhchaí na hÉireann
Cruthaigh Poist – Cruthaigh Fás

Plean Fostaíochta Shinn Féin



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Executive Summary

SINCE Fianna Fáil collapsed the economy in 2008, this state has shed more jobs per capita than any other Western country since the Great Depression. A look at unemployment and emigration figures shows the severe human cost of the failed policies of Fianna Fáil, Fine Gael and the Labour Party – 460,000 on the live register and devastating levels of emigration. In the last three years, more than 200,000 people have emigrated – 87,000 in 2011, 81,500 in 2010 and tens of thousands have already left in 2012. Nine people are leaving our shores every hour. Many others are trapped in negative equity – unable to pay their debts and no prospect of getting work in this country in the near future. The domestic economy is in tatters with thousands of small and medium businesses going to the wall and many others struggling to survive. Government debt now stands at €169billion, an increase of 17% on 2010.

The failure by successive governments to manage the economy, to plan for the challenges ahead and to properly regulate the property market and banking sector has left us where we are today. It doesn't have to be this way.

One of the fundamental problems is that the Fine Gael/Labour Government have no clear vision for the future of the economy. They are abdicating their responsibilities and allowing decisions to be taken by the EU and IMF. Their economic policy has been reduced to keeping their fingers crossed and hoping for a worldwide economic revival – standing idly by while another generation leaves for the US, Canada and Australia.

This isn't good enough. The old policies and the old approaches are not working. New thinking, new policies and a new economic programme are required. And notwithstanding the huge economic challenges and loss of sovereignty, there are still political choices to be made to allow us to move out of recession. The first step is for the Government to accept what every serious economist in the world is now saying – you cannot cut your way out of recession. Secondly, they need to address the unsustainable debt crisis. Thirdly, and most importantly, they need a serious plan to get Ireland back to work.

Sinn Féin has produced this document, *Investing in Ireland's future: Create jobs – Create growth*, to set out exactly how we would use a major stimulus package to boost employment, increase GDP and further reduce the government deficit. In November 2012, Sinn Féin will also publish a fully-costed pre-Budget submission which will set out the growth-friendly fiscal measures we propose to reduce the deficit in a fair and equitable manner and ensure those on low and middle incomes are protected.

It's time to make different political choices.



Create jobs – Create growth

- » Sinn Féin is proposing almost **€13billion additional investment in job creation** and economic growth over four years.
- » This would **create an average of 156,000 jobs (short-term and long-term, according to the ESRI) and retain up to 15,000 jobs.**
- » This would be **funded from €5.8billion** in discretionary funding in the **National Pension Reserve Fund, €1.534billion from the European Investment Bank, €3billion** incentivised investment **from the private pension sector and we would not cut the €2.6billion** which the Government will cut from its capital budget spend.
- » **Our jobs plan will invest in essential infrastructure** which will create jobs, improve competitiveness and help kick-start the economy; **help entrepreneurs** by removing obstacles to doing business and supporting them to retain and create new jobs; **exploit the potential of existing and new state enterprises**, particularly in broadband roll-out, renewable energy and eco-tourism; and **invest in agri-food and rural communities.**

Invest in essential infrastructure

- » **Revive the sugar beet industry** and construct a new bio-refinery plant in the South-East with the potential to create 5,000 jobs (Cost: €350million).
- » **Broadband** – Invest €2.5billion in the roll-out of next generation broadband across the 26 Counties.
- » **Sequence investment in water infrastructure** (currently 43% of water is wasted through leaks) with an initial investment of €500million.
- » **Proceed with the A5 dual carriageway** and open up the North-West for real investment.
- » **Regenerate the Cork dockland area.** This will see the building of the two gateway bridges, necessary road infrastructure, flood defence, district heating, public areas, education facilities and water supply – as outlined by the Engineers Ireland report on the dockland area, 2009 (Cost: €600million).
- » **Escalate the regeneration projects in Limerick and Dublin.** Over four years we will invest €960million towards completing the various regeneration projects in the two counties (Cost: €960 million).
- » **Build an additional 100 schools** at a cost of €300 million and refurbish 75 more at a cost of €50 million over the next 3 years on top of current capital commitments (Cost: €350million).
- » **50 new Primary Health Care Centres.** At the start of the last decade, the plan was to build 200 primary care centres across the state. Up to last year, only 32 centres had been completed and were in operation, despite the concept of local healthcare being at the heart of healthcare strategies (Cost: €250 million).



Help entrepreneurs to create new jobs

- » **Job retention** – Introduce a job retention scheme at a cost of €100million to protect 15,000 jobs for one year, with the potential to continue the scheme.
- » **State procurement** – Open up state procurement to small companies. In 2011, €13.1billion was spent on public procurement (estimates from the Department of Public Expenditure and Reform).
- » **PRSI for Self-employed** – Self-employed people should be given the option of paying PRSI at the same level as PAYE workers in order to receive the same entitlements in the event that they become unemployed.
- » **Abolish upward-only rents.** Upward-only rent review leases are one of the leading problems for businesses.
- » **Cap utility costs** for a period of 3 years.
- » **Provide a temporary rebate on fuel for transport firms.**
- » **Prompt payments** – Prioritise the review of the prompt payments legislation and ensure the 15-day rule is adhered to by state agencies.
- » **Examine the use of tax credits** for multinational corporations which source Irish-produced materials as opposed to importing.
- » **Tackle the costs of doing business on the Border,** including credit card transaction fees, telecommunication charges and dual tax and payroll systems.

Exploit the potential of existing and new state enterprises

- » **The ESB, Bord Gáis and Coillte to work together to roll-out comprehensive high-end broadband coverage.** The ESB already owns a 1,300km national fibre optic network, Aurora Telecom is a Bord Gáis Enterprise company established in 2000 specialising in fibre optic network services, and Coillte also has 220 mast sites and 100 new rural broadband sites.
- » **Develop Coillte's role in eco-tourism.** With 10 forest parks and over 150 recreation sites, Coillte is the leading provider of outdoor recreation in Ireland with an estimated 18million visits to forests under its management each year.
- » **€1billion investment in wind power industry and wave energy.** It is estimated that this industry has the capacity to create 50,000 jobs over 15 years and we would explore how this can be done in a community-friendly fashion.

Invest in agri-food and rural communities

- » **Development of the agri-food sector,** including the establishment of a forum of all supermarket suppliers and members of each producer organisation who subsequently set up a working committee of each representative group/sub-sector to negotiate a fair trading regime on behalf of suppliers.
- » **Re-establishment of a bio-refinery plant in the South-East,** which would produce sugar as well as ethanol from beet and grain again. The estimated cost for this project is €350million with the potential to create 5,000 jobs.

- » **A proactive approach to establishing co-ops to aid job creation in rural communities**, including the creation of tax incentives for co-operatives that create employment in rural or disadvantaged areas and making vacant IDA, Údarás and other public bodies' premises available for co-op use.
- » **Tackling the misuse of 'Irish' branding** – Initiate a campaign to urge the food catering industry to use domestic suppliers and increased monitoring of 'Irish goods' labeling (there is mounting evidence that the 'Ireland' brand is being mis-sold to confuse consumers who want to buy Irish).
- » **Review the current sell-by date regulations** which allow importers to avail of the same sell-by date as domestic producers even though they are in the market longer, after including the import process. We would also explore the introduction of air miles labeling for all imports.

Major overhaul of enterprise policy

- » **Set regional job creation targets** – To address the clear imbalance in job creation there should be regional and sub-regional job creation targets set out for Enterprise Ireland, the IDA and other enterprise support agencies.
- » **Amalgamate job creation bodies** – Amalgamate Enterprise Ireland, the IDA, County Enterprise Boards and partnerships into a new organisation called All-Ireland Enterprise

Sinn Féin in government delivering jobs

In the Assembly we have overseen:

- » **£4.8billion capital investment** – The delivery of gross capital investment of £1.4billion in 2007/08, £1.7billion in 2008/09 and £1.7billion in 2009/10 through Investment Strategy (ISNI). This compares to just £1billion in 2003/04.
- » **InvestNI** secured almost £2.6billion in investment commitments and £487million in annual salaries; **promoted 15,565 new jobs; safeguarded 5,329 existing jobs;** and supported 8,267 new local business starts between 2007/08 and 2009/10;
- » **Investment of £217.5million in regeneration** – Over £140million spent on the continued regeneration of our most disadvantaged areas and £77.5million spent in 2008-11 on urban regeneration projects.
- » In the three years ended March 2011, **the Employment Service helped 96,626 people find work** – which exceeded by 38% their three-year target (to assist 70,000 people into work).
- » From May 2007 to April 2011, **53 major capital school projects have been completed.** representing an investment of £492million in the schools estate;
- » **Investment of more than £1billion in improvements to water infrastructure** and completion of the £160million Belfast Sewers Project.



KEY FACTS



There are approximately **460,000** on the **Live Register** in the 26 Counties and **63,200** in the 6 Counties.



87,000 people emigrated in 2011 (**9 people every hour**), an increase of 6,500 over the previous year (Central Statistics Office figures, September 2012).



According to Irish Government figures, **each person who is unemployed costs the state in the region of €20,000** directly through money lost in PAYE and social welfare costs.



Despite the recapitalising of the banks, **Ireland is one of the toughest places in the euro area for small businesses to get a loan**. More than 1 in 4 of loan and overdraft applications from small business were rejected in recent months. That compares to 1 in 28 in Germany. (Central Bank report, August 2012).



Gross new lending to SMEs amounted to €407million in the first quarter of 2012, down 29.6% from the fourth quarter of 2011 and down over €700million from the fourth quarter of 2010.



Government debt stands at €169billion, an increase of 17% on 2010.



The lack of confidence in the economy has resulted in a private investment strike in the 26 Counties – the National Income and Expenditure Accounts for 2010 show that **the private sector had withdrawn €30billion from the economy** up to that year.



InterTrade Ireland statistics show that **46% of businesses are fighting for survival**, citing factors outside their control (such as rising energy costs, cash flow, consumer confidence and a reduction in demand) as the key business issues facing them.



Between July and September 2011, 68 Receivers were appointed to companies in the 26 Counties and **the total number of businesses that failed in 2011 was 1,930 (up 20% on 2010)**.



The Fine Gael/Labour Government are failing to deal with the problem. They have no clear vision for the future of the economy.



Achoimre Fheidhmeach

Ó bhí turnamh an gheilleagair ann mar gheall ar Fhianna Fáil i 2008, chuir an Stát deireadh le níos mó post per capita ná tír ar bith eile san iarthar ó bhí an Spealadh Mór ann. Nuair a bhreathnaítear ar staitisticí dífhostaíochta agus imirce léirítear an dianchostas daonna a bhain le polasaithe Fhianna Fáil, Fhine Gael agus an Lucht Oibre, polasaithe ar theip orthu - 460,000 ar an mbeochlár agus na leibhéil mhillteanacha imirce. Sna trí bliana a chuaigh thart chuaigh breis agus 200,000 duine ar imirce - 87,000 in 2011, 81,500 in 2010 agus d'ímigh na deich mílte cheana féin in 2012. Tá 9 ag fágáil na tíre seo gach uair an chloig. Tá cuid mhór eile acu gafa mar gheall ar chothromas diúltach - gan a bheith ábalta a bhfiacha a íoc agus gan féidearthacht ar bith ann go bhfaighidh siad fostaíocht sa tír seo sa ghearrthéarma. Tá geilleagar na tíre ina chior thuathail agus deireadh ag teacht leis na mílte de ghnóthais bheaga agus mheánmhéide agus cuid mhór eile acu ag streachailt chun maireachtáil. Is ionann fiacha an Rialtais anois agus €169 billiún, méadú de 17% ó 2010.

Toisc gur theip ar rialtas i ndiaidh rialtais an geilleagar a bhainistiú mar is ceart, pleanáil a dhéanamh do na dúshláin atá romhainn agus an margadh tithe agus talún agus an earnáil baincúireachta a rialú mar is ceart táimid fágtha san áit a bhfuilim inniu. Ní gá go mbeadh sé mar seo.

Ceann de na dúshláin is bunúsaí atá ann nach bhfuil fíis shoiléir ag rialtas Fhine Gael/an Lucht Oibre maidir le todhchaí an gheilleagair. Tá siad ag tréigean a ndualgas agus ag ligean don AE agus don Chiste Airgeadaíochta Idirnáisiúnta (CAI) cinntí a ghlacadh. Níl ina mbeartas eacnamaíoch anois agus dul sa seans agus dóchas acu go mbeidh téarnamh sa gheilleagar ar fud an domhain - agus iad ar nós cuma liom agus glúin eile ag fágáil na tíre go SAM, Ceanada agus chun na hAstráile.

Níl sé seo maith go leor. Níl ag éirí leis na seanpholasaithe agus na seanchuir chuige. Tá gá le smaointeoireacht úr, beartais úra agus clár nua eacnamaíoch. Agus d'ainneoin na ndúshlán mór eacnamaíoch agus gur cailleadh flaitheas, tá roghanna polaitiúla le déanamh go fóill ionas gur féidir linn bogadh amach as an gcúlú eacnamaíoch. An chéad céim don rialtas is ea glacadh leis an méid atá gach eacnamaí dáiríre sa domhan a rá - ní féidir éalú as cúlú eacnamaíoch trí chiorruithe amháin. An dara céim is ea go gcaithfidh siad dul i ngleic leis an ngéarchéim neamh-iniompártha fiacha agus an tríú céim agus an ceann is tábhachtaí, go bhfuil gá le plean dáiríre chun Éire a chur ar ais ag obair.

Tá an doiciméad seo eistithe ag Sinn Féin "Ag Déanamh Infheistíochta i dtodhchaí na hÉireann - cruthaigh poist cruthaigh fás" chun na dóigheanna ina mbainfimis úsáid as mórfhacáiste spreagthaí chun fostaíocht a spreagadh, chun Olltáirgeacht Tíre (OTI) agus chun easnamh an rialtais a laghdú. I Mí na Samhna 2012 foilseoidh Sinn Féin aighneacht réamhbhuiséid lánchostáilte ina leagfar amach na bearta fioscacha atá áisiúil d'fhás atá á moladh againn chun an t-easnamh a laghdú ar bhealach cothrom agus chun a dheimhniú go ndéantar iad siúd atá ar ioncaim ísle agus ar mheánioncaim a chosaint.

Tá an t-am ann anois roghanna éagsúla polaitiúla a dhéanamh.

Poist a Chruthú - Fás a Chruthú

- » Tá Sinn Féin ag moladh go mbeidh **€13 billiún d'infheistíocht sa bhreis chun poist a chruthú** agus san fhás geilleagrach thar cheithre bliana.
- » Chruthóidh sé seo **156,000 post ar an meán (san fhadtárma agus sa ghearrthárma de réir na hInstitiúide Taighde Eacnamaíochta agus Sóisialta (ESRI) agus choinneodh sé suas le 15,000 post**
- » Dhéanfaí é seo a mhaoiniú ón **€5.8 billiún** ón gciste lánroghnach sa **Chúlchiste Náisiúnta Pinsean, €1.534 billiún ón mBanc Eorpach Infheistíochta, €3 billiún infheistíocht dhreasaithe ó earnáil phinsean phríobháideach agus ní ghearrfaimis an €2.6 billiún a ghearrfaidh an rialtas óna chaitheachas buiséid chaipitil.**
- » **Déanfaidh ár bplean fostaíochta infheistíocht i mbonneagar riachtanach** a chruthóidh poist, a fheabhsóidh iomaíochas agus a chuideoidh leis an ngeilleagar a ghríosú; **cuideoidh sé le fiontraíthe** trí chonstaicí chun gnó a dhéanamh a bhaint ar shiúl agus tacóidh sé leo poist a choinneáil agus poist nua a chruthú; **bainfear feidhm as na féidearthachtaí a bhaineann le fiontair reatha agus nua de chuid an stáit** go háirithe maidir le feidhmiú céimneach leathanbhanda, fuinneamh in-athnuaite agus éiceathurasóireacht; agus **infheistíocht a dhéanamh in agrai-bhia agus i bpobail tuaithe.**

Infheistíocht a dhéanamh i mbonneagar riachtanach

- » **An tionscadal biatas síúcra a athbheochan** agus monarcha nua bithscaglainne a thógáil san Oirdheisceart agus féidearthacht ann 5,000 post a chruthú (€350 milliún)
- » **Leathanbhanda** – Infheistíocht de €2.5 billiún a dhéanamh i bhfeidhmiú céimneach na chéad ghlúine eile de leathanbhanda sna 26 Contae.
- » **Sceimheamh a dhéanamh ar infheistíocht i mbonneagar uisce** (i láthair na huaire cuirtear 43% d'uisce amú trí sceitheadh) trí bhuninfheistíocht de €500 milliún.
- » **Leanúint ar aghaidh le débhealach an A5** agus an tIarthuaisceart a oscailt le haghaidh infheistíocht cheart
- » **Ceantar na ndugaí i gCorcaigh a athghiniúint.** Is éard a bheidh i gceist leis seo ná dhá dhroichead thairsí tógtha, bonneagar riachtanach bóthair, cosaint tuile, téamh ceantair, limistéir phoiblí, áiseanna oideachais agus soláthar uisce de réir mar atá léirithe i dtuarascáil Innealtóirí Éireann i gceantar na ndugaí, 2009 (€600 milliún)
- » **Na tograí athghiniúna i Luimneach agus i mBaile Átha Cliath a fhormhéadú.** Thar cheithre bliana déanfaimid infheistíocht de €960 milliún chun tograí áirithe athghiniúna a chur i gcrích sa dá chontae. Costas: €960 milliún
- » **100 scoil sa bhreis a thógáil** ar chostas €300 milliún agus 75 eile a athchóiriú ar chostas €50 milliún thar na 3 bliana atá romhainn ar bharr na dtiomantas reatha caipitil. Costas: €350 milliún
- » **50 Ionad nua Cúram Sláinte Príomhúil.** Ag tús na ndéich mbliana seo a chuaigh thart, ba é an plean a bhí ann ná chun 200 ionad cúram sláinte príomhúil a thógáil sa stát. Go dtí anuraidh, ní raibh ach 32 ionad críochnaithe agus i bhfeidhm, in ainneoin go bhfuil coincheap cúraim shláinte áitiúil ag croí straitéisí cúraim shláinte. Costas: €250 milliún

Cuidiú le fionraithe poist nua a chruthú

- » **Poist a choinneáil** – Scéim Coinnéala Post ar chostas €100 milliún a thabhairt isteach chun 15,000 post a chosaint ar feadh bliana, agus an fhéidearthacht ann go leanfar den scéim.
- » **Soláthar Stáit** – Soláthar stáit a oscailt do chuideachtaí beaga. In 2011, caitheadh €13.1 billiún ar an soláthar poiblí (meastacháin ón Roinn Caiteachais Phoiblí agus Athchóirithe).
- » **Árachas Sóisialta Pá-Choibhneasa (ÁSPC)** – Ba cheart go mbeadh an rogha ag daoine féinfhostaithe ÁSPC a íoc ar an leibhéal céanna le hoibríthe íoc mar a Thuillir (ÍMAT) chun na teidlíochtaí céanna a fháil má tharlaíonn go mbíonn siad dífhostaithe.
- » **Cíosanna a théann in airde amháin a chur ar ceal.** Ceann de na fadhbanna is mó atá ag gnólachtaí ná léasa maidir le cíosanna a théann in airde amháin.
- » **Costais Fónais a chaidhpeáil** ar feadh tréimhse 3 bliana.
- » **Aisíoc sealadach a chur ar fáil ar bhreosla le haghaidh gnólachtaí iompair**
- » **Íoc pras** – Tosaíocht a dhéanamh den athbhreithniú ar an reachtaíocht maidir le híoc pras agus cinnte a dhéanamh de go gcloíonn gníomhaíochtaí stáit leis an riail 15 lá.
- » **Úsáid creidmheasanna cánach a fhiosrú** le haghaidh corpáraidí ilnáisiúnta a scrúdú, a dhéanann iarracht earraí déanta in Éirinn a aimsiú in áit iad a iompórtáil.
- » **Dul i ngleic leis na costais a bhaineann le gnó a dhéanamh ar an teorainn** lena n-áirítear táillí idirbheartaíochtaí cártaí creidmheasa, muirir theileachumarsáide agus déchórais cánach agus párolla.

Na féidearthachtaí a bhaineann le fiontair reatha agus nua stáit a fhiosrú agus a úsáid

- » **BSL, Bord Gáis agus Coillte le bheith ag obair le chéile chun feidhmiú céimneach a dhéanamh ar chlúdach leathanbhanda Ardleibhéil.** Is leis an BSL gréasán náisiúnta de chábla snáthoptaice de 1,300km, agus is cuideachta Fiontraíochta Bord Gáis é Aurora Telecom a bunaíodh in 2000 agus ar speisialaí é maidir le seirbhísí gréasáin snáthoptaice agus tá 220 láithreán crann ag Coillte agus 100 láithreán nua leathanbhanda faoin tuath.
- » **Ról Coillte in eiceathurasóireacht a fhorbairt.** Le breis agus 100 páirc foraoise agus breis agus 150 láithreán áineasa aige is é Coillte an soláthraí is mó áineasa faoin spéir in Éirinn agus 18 milliún cuairt ar fhoraisí faoina bhainistíocht measta gach bliain.
- » **Infheistíocht i dtionscadal Fuinnimh Gaoithe agus Fuinnimh Tonnta.** Meastar gurbh fhéidir leis an tionscadal seo 50,000 post a chruthú thar 15 bliana agus d'fhéadfaí seo a dhéanamh ar bhealach a bheadh áisiúil don phobal.

Infheistíocht a dhéanamh in agraibhia agus i bpobail tuaithe

- » **An earnáil agrai-bhia a fhorbairt** lena n-áirítear fóram de gach soláthraí ollmhargaidh agus ball de gach eagraíocht táirgeora a bhunú, a bhunóidh coiste oibre ina dhiaidh sin atá ionadaíoch ar gach grúpa/fo-earnáil, chun idirbheartaíocht a dhéanamh maidir le réimse cóirthrádála ar son soláthraithe.
- » **Monarcha bithscaglainne a athbhunú san oirdheisceart,** ina soláthrófaí siúcra chomh maith le heatánól ó bhíatas agus gráinne arís. Meastar gurb é an costas a bheadh air seo ná €350 milliún agus an fhéidearthacht ann 5,000 post a chruthú

- » **Cur chuige réamhghníomhach chun comharchumainn a bhunú chun poist a chruthú i gceantair tuaithe** chun dreasachtaí cánach a chruthú le haghaidh comharchumann a chruthaíonn fostaíocht i gceantair tuaithe nó i gceantair atá faoi mhíbhuntáiste agus áitribh fholmha de chuid IDA, Údaráis agus comhlachtaí eile poiblí a chur ar fáil don chomharchumann.
- » **Dul i ngleic le mí-úsáid ‘Bhrandáil’ na hÉireann** – Feachtas a thionscnamh chun earnáil na lónadóireachta a spreagadh chun soláthróirí na hÉireann a úsáid agus monatóireacht mhéadaithe ar lipéadú ‘Earraí Éireannacha’ a bheith ann (tá fianaise ann anois go bhfuil ‘Brandáil’ na hÉireann á mhí-dhíol chun mearbhall a chur ar chustaiméirí ar mian leo earraí Éireannacha a cheannach).
- » **Athbhreithniú a dhéanamh ar na rialacháin reatha a bhaineann le spriocdhátaí díola** ina mbíonn cead ag iompórtálaithe an spriocdháta díola céanna a úsáid agus a úsáideann soláthraithe na tíre seo, in ainneoin go mbíonn seilfré níos faide ag a gcuid earraí i ndiaidh an próiseas iompórtála a chur san áireamh. Dhéanfaimis scrúdú freisin ar lipéadú aermhílte a thabhairt isteach le haghaidh gach iompórtála.

Ollchóiriú mór ar bheartas fiontraíochta

- » **Spriocanna réigiúnda maidir le poist a chruthú a leagan amach** – Chun dul i ngleic leis an éagothroime shoiléir maidir le cruthú post ba cheart go mbeadh spriocanna réigiúnda agus fo-réigiúnda chun poist a chruthú leagtha amach d’Fhiontraíocht Éireann, IDA agus Gníomhaireachtaí Tacaíochta Fiontraíochta.
- » **Cónascadh a dhéanamh idir comhlachtaí cruthaithe post** – Cónascadh a dhéanamh d’Fhiontraíocht Éireann, IDA, Boird Fiontraíochta Contae agus comhpháirtíochtaí agus eagraíocht nua darb ainm Fiontraíocht na hÉireann.

Sinn Féin sa rialtas ag cur post ar fáil

Sa Tionól rinneamar maoirseacht ar:

- » **Infheistíocht chaipitil £4.8 billiún** – Seachadadh Oll-Infheistíocht Chaipitiúil de £1.4 billiún in 2007-08, £1.7 billiún in 2008-09 agus £1.7 billiún in 2009-10 tríd an Straitéis Infheistíochta (ISNI). Déantar comparáid idir é seo agus £1 billiún in 2003-04;
- » D’éirigh le **InvestNI** beagnach £2.6 billiún a aimsiú i dtiomantais infheistíochta agus £487 milliún i dtuarastail bhliantúla a dhaingniú; **chuir 15,565 post nua ar fáil; chosain 5,329 post reatha;** agus thacaigh le 8,267 gnólacht nua áitiúla idir 2007/08 agus 2009/10;
- » **Infheistíocht de £217.5 milliún** – Breis agus £140 milliún caite ar athghiniúint leantach na gceantar is mó faoi mhíbhuntáiste agus £77.5 milliún caite in 2008-11 ar thograí athghiniúna uirbeacha.
- » Sna 3 bliana dar críoch Márta 2011, **chuidigh an tSeirbhís Fostaíochta le 96,626 duine fostaíocht a fháil**, a bhí 38% níos airde ná an sprioc 3 bliana a bhí acu (chun cuidiú le 70,000 duine fostaíocht a fháil);
- » Ó Bhealtaine 2007 go hAibreán 2011, **cuireadh 53 mórthogra chaipitiúla i scoileanna i gcrích** arb ionann é agus infheistíocht de £492 milliún inár scoileanna;
- » **Infheistíocht de bhreis agus £1 billiún ar fheabhsuithe ar infreastruchtúr uisce** agus an Togra Belfast Sewers a chur i gcrích ar chostas £160 milliún.

PRÍOMHFHÍRICÍ

➤➤ Tá beagnach **460,000 ar an mbeochlár** sna 26 Contae agus **63,200** sna 6 Contae

➤➤ **Chuaigh 87,000 duine ar imirce in 2011 (9 gach uair an chloig)**, méadú de 6,500 ar an mbliain roimhe (Staitisticí na Príomh-Oifige Staidrimh Meán Fómhair 2012).

➤➤ De réir staitisticí rialtas na hÉireann **cosnaíonn gach duine atá difhostaithe sa Stát €20,000** go díreach fríd an airgead cailte in ÍMAT agus costais leasa shóisialta.

➤➤ In ainneoin athchaipitliú na mbanic **tá Éire ar cheann de na tíortha is deacra i limistéar an euro inar féidir le gnólachtaí beaga iasacht a fháil** – Diúltaíodh do bhreis agus 25% iarratas ar iasachtaí ar rótharraingtí ó ghnólachtaí beaga sna míonna beaga anuas. Is ionann sin agus ceann amháin i ngach 28 sa Ghearmáin. (Tuarascáil ón mBanc Ceannais Lúnasa 2012)

➤➤ **B'ionann oll-iasachtú do Ghnóthais Bheaga agus Mheánmhéide agus €407m** sa chéad ráithe de 2012, titim de 29.6% ón gceathrú ráithe de 2011 agus **titim de bhreis agus €700m** ón gceathrú ráithe de 2010.

➤➤ **Is ionann fiacha an Rialtais anois agus €169 billiún**, méadú de 17% ó 2010.

➤➤ Mar thoradh ar an easpa muiníne sa gheilleagar bhí stailc ar infheistíocht phríobháideach sna 26 Contae – léiríonn na cuntais loncaim agus Caiteachais Náisiúnta le haghaidh 2010 **gur tharraing an earnáil príobháideach €30 billiún** ón ngeilleagar a fhad leis an mbliain sin.

➤➤ Léirítear de réir staitisticí Idir-Thrádáil Éireann go bhfuil **46% de ghnólachtaí ag troid chun maireachtáil** agus iad ag maíomh go bhfuil fachtóirí ann nach bhfuil smacht acu orthu (ar nós costais mhéadaithe fuinnimh, sreabhadh airgid, muinín tomhaltóirí agus laghdú ar éileamh) mar phríomhcheisteanna gnó atá rompu.

➤➤ Idir Iúil agus Meán Fómhair 2011 ceapadh 68 glacadóir chuig cuideachtaí sna 26 Contae agus **theip ar 1,930 gnólacht in 2011 (méadú de 20% ó 2010)**

➤➤ **Níl ag éirí le rialtas Fhine Gael/An Lucht Oibre dul i ngleic leis an bhfadhb.** Níl aon fhís shoiléir ag rialtas Fhine Gael/an Lucht Oibre maidir le todhchaí an gheilleagair.





Our vision – Industrial and enterprise policy for the 21st century

“It is okay not to believe in industrial policy when you are the only player on the world stage, but when your biggest competitor is China then you are confronted with industrial policy on steroids . . . should you continue in the belief that industrial policy is only for the weak?”

Jeff Immelt, CEO General Electrics (sales \$140billion per annum)

Unemployment and emigration are at levels not seen for decades. The old policies and the old approaches are not working. New thinking, new policies and a new economic programme are required.


We have emerged from a decade when the arguments for a ‘hands off’ approach to economic management enjoyed supremacy. This saw poor regulation, retailers and other enterprises put out of business by rocketing property prices and rents, and thousands of young men and women abandoning education without qualifications to work in the inflated and unsustainable construction sector. Government abdicated its responsibility and rode the boom-to-bust cycle that has been so destructive to livelihoods, families and communities.

That failure to manage the economy, to plan for challenges ahead and to properly regulate has left us where we are today.

In 2012, just over a year after being elected to government in an economic and unemployment meltdown, the Fine Gael/Labour Government Minister for Jobs and Enterprise, Richard Bruton, made the statement that ‘it is not the job of government to create jobs’. This was just before he launched the Government’s jobs ‘plan’! The Government plan has so far failed to invest in new jobs or stem the flow of emigration.

Sinn Féin believes differently. The market does not always right itself. It does not take care of regional growth. It does not tackle disadvantage, foster equality or protect workers’ rights and conditions. And, as has been seen, when everything goes belly-up for the market, the ideology of privatised profits and ‘no government interference’ very quickly turns to the socialisation of debt and the government as saviour.

In 1958, the economist and Department of Finance Secretary General TK Whitaker developed the Programme for Economic Expansion. This was considered a ground-breaking piece of work – focusing on a change in economic direction from protectionism in the decades leading up to 1958 to free trade and the attraction of FDI.



Whitaker's report was underpinned by a vision of where the economy needed to go. And while there is an argument that this policy (implemented unrevised for decades) left us over-reliant on FDI, its importance lay in the fact that it set out a clear direction for economic development.

The world has changed dramatically since the Programme for Economic Expansion was put forward as a solution to Ireland's economic and employment difficulties. We are now competing with the BRIC countries (Brazil, Russia, India and China) and other emerging economies, which can provide cheap, educated workers. The population of the 26 Counties, which hit an historical low of 2.82million in 1961, reached 4.58million in 2011. It reached 6.3million people on the island of Ireland in 2011. Demand for agricultural produce, for food in Ireland and abroad, continues to increase and worldwide concerns about quality, pollution and environment has seen our agricultural sector become an area where we enjoy advantages not contemplated in the late 1950s and early 1960s.

We looked outward for solutions in Whitaker's time. FDI is still crucial but we now need to have an inward focus too. We must look at our own untapped potential, look at the opportunities for import substitution, look at our skills base, look at what role a modern competitive state enterprise sector can play, and look at how we can inspire and facilitate entrepreneurs to create businesses and grow them to a level that can compete on the international stage. We need to see where this state fits on the new global economic stage.

When it comes to FDI, we need to start achieving regional balance. In Taoiseach Enda Kenny's own constituency, on the N5 Breaffy Road, an IDA Park lies empty. This 20-acre site has the landscaping and services infrastructure available to suit international services and manufacturing businesses but the IDA has failed to attract businesses to the park. Such parks and buildings lie empty and under-used around the state, with the bulk of FDI going into Dublin and other large urban centres. The Government's job strategy to date has failed to send the money into regions of unemployment. The latest 'stimulus' from Fine Gael and Labour will be measured on how it tackles this issue.


In the Six Counties, partition, the conflict and latterly the absence of fiscal decision-making powers has limited the ability of Northern elected representatives to develop industrial policy.

We are not advocating a return to the protectionism of the past but a new vision that builds on our strengths, on quality, on developing indigenous enterprise, on encouraging multinationals based here to source locally and on tapping in to the economic strength of the 6.3million people living in Ireland today.

Getting our priorities straight

In this document we set out what we would do in government in the South, and what we have done and what we are planning to do in government in the North. This is against a backdrop of our ultimate vision of an island that is not partitioned – that does not have the duplication of services and roles; that is not hindered in its ability to attract investment and tourism; that can utilise the consumption powers of all six million of its citizens on this island; and can develop industrial policy using the resources and skills of all its regions and people.

Our focus is on the development of 'Brand Ireland' and ensuring our citizens are not only exporting but consuming Irish; on ensuring communities and citizens have the skills and assistance



to create their own enterprises; on developing the island economy and ending regional and minority disparities; and on making sure the state, like the Scandinavian states, holds some of the key industrial levers – such as energy and communications companies.

At the Second Entrepreneurship Development Forum ('Creating a High-Tech High-Growth Economy', 2005), a number of areas were outlined for economic development. These included:-

1. The need to have a clearly stated vision for the future of the economy.
2. Enterprise planning should be focused on local, regional and national terms, and there must be counterpoints to the Greater Dublin Area.
3. Enterprise in Ireland should more effectively tap into its diaspora.
4. The critical need to reform the education system (including increasing people's language capabilities) to achieve the goals of the future.
- 5 The need to develop an effective process to get capital and other funds into firms.

Sinn Féin endorses these views. This document is our programme for recovery for jobs and enterprise and, if given a mandate by the people of the 26 Counties to be in government, Sinn Féin, as an all-island party, will implement it.

While this document is geared towards new measures to create jobs, from our stimulus proposals to our proposals to make business more competitive, we are conscious that at this point our economy can start to recover simply by doing no further harm.

In continuing to pursue deficit reduction using deflationary measures (such as taxing lower-earners, cutting social benefits and reducing capital expenditure) this Fine Gael/Labour Government is perpetuating the cycle of job losses and emigration.


Creating jobs is our priority and we believe that recovering the economy will see the deficit reduce. But in the interim, deficit reductions can be made with non-deflationary fiscal measures such as taxing wealth.

In addition, the level of debt burden on this state, a portion of which is directly attributable to private banking debt, is unsustainable. Not only does the Government need to negotiate a restructuring of this debt, particularly the promissory notes, in a meaningful way. It must also now stop the funding of unsecured and unguaranteed bondholders, put no more money into the banks and obtain recompense from our partners in Europe for the bail-out of our banks, recompense which exceeds the current market value of our stakes in those banks.

1. Jobs crisis in 2012 – Where we stand

For over four years, the island of Ireland has been in economic crisis. With varying degrees, the British and Irish governments, supported and encouraged by the EU, have chosen to implement austerity as a solution to this crisis.

Focusing on deficits, which are only the result of the crisis and not the cause, perpetuates the crisis. If jobless numbers are allowed to grow, revenue continues to decline and social welfare continues to rise. Unemployment paralyzes an economy. Alongside the impact on tax and welfare, fewer people working is fewer people spending in the economy. It is fewer people paying their mortgages. It is a recipe for emigration, poverty, social inequality and rising crime.



Recognising this, Sinn Féin has put forward positive proposals on job creation in every year since the crisis began.

We have produced a series of jobs-focused documents. *Getting Ireland Back to Work* (2009) looks at employment overall, with our other documents examining sectoral employment in the West, in agri-food, in fishing and farming, and amongst young people.

In the Six Counties, despite the lack of fiscal sovereignty (the ability to set taxation) and a declining Block Grant from Westminster, the Sinn Féin Assembly team has made job creation and tackling disadvantage a priority. The party's budget submissions were negotiated into the last and current Programme for Government.

Over the last year, governments, Fianna Fáil, right-wing economists and policy makers in the EU and IMF have begun to talk about job creation and growth. The Conservative Party/Lib-Dem Government in Westminster and the Fine Gael/Labour Coalition have all made commitments to create jobs. However, they have both expressed the view that jobs can be created while an economy is contracting through austerity. In the 26 Counties, this means continuing with taxes aimed at middle and lower earners and cuts to frontline services, which dampen demand in the economy. Little in terms of extra resources have been pumped into job creation, and the capital budget has been cut each year since the crisis began. Growth seems to be an abstract term, to be achieved through cutting wages and loosening regulation. Yet there have been no qualms about injecting €64billion of taxpayers' money into bust private banks.

The Fine Gael/Labour Government's own projections state that in 2015, under their proposals, unemployment will still be at 11.7%. Most commentators consider this a conservative estimate. If we are to get our account books back in order we must create jobs and we must create growth. While the Government projects GDP growth as 2.2% in 2013 and 3% in each of 2014 and 2015, this must be viewed against the fact that for the last number of years the Government has almost consistently had to revise growth projections downwards. Much of what the Department of Finance projects appears to be based on the performance of our global partners and therefore subject to the vagaries in their economies. If we concentrate on bringing about our own domestic growth, we will offset some of this dependence. The Government recognises this and in July 2012 announced a stimulus package worth €2.25billion. However, this package is to run over six years and the money to fund it is to come in the main from the sale of state assets and private public partnerships – the value of which is now being questioned even by the British Conservative Party. In addition, the stimulus is against the backdrop of cuts to the capital investment budget. The amount and timeframe of the Irish Government's stimulus is nowhere near the scale needed to kick-start the domestic economy.

Stimulus alone is not enough. A stimulus is meant to put a floor under a recession but without focusing on the other aspects of the economy – the overhang of bank debt on the sovereign balance sheet, a tax system which hands out in tax reliefs a large percentage of what it takes in, a public salary and pensions system which has failed to deal with the new reality and still pays its highest earners far above their European counterparts, and a state which is still costly to live and do business in – the economy will not recover.



2. A stimulus to lay the blocks for economic recovery

"We don't know the perfect answers on it. What we do know is to stand by and do nothing is a terrible mistake."

– Warren Buffett, private investor and business magnate, giving his view on government-led stimulus

We have an infrastructure deficit in the 26 Counties. The OECD, the European Commission and the National Competitiveness Council have all named energy costs, water costs and communication weaknesses, as being detrimental to the state's competitiveness. Our capital 'stock' ballooned during the early part of the last decade but expert studies show that over two-thirds of building was on housing (Davy Research, 2010).

Despite the potential for capital investment and the unemployment crisis, Fine Gael and Labour cut the capital spend budget last year by €755million. The Economic and Social Research Institute estimates that this size of a cut would have the effect of losing approximately 7,500 jobs from the economy in the long run. In May 2012, European Central Bank President Mario Draghi has specifically called on national governments to deal with deficits without interfering with capital or investment expenditure (May 2012, press conference).

The current Capital Investment Framework forecasts a spend of €13.1billion over 2013-2016. This entails a reduction from the 2012 budget of €3.935billion to an average budget of €3.253billion in 2015 and 2016. The Government will take €562million out in 2013 and €120million out in 2014. Sinn Féin would not reduce the capital budget any further, meaning that instead of capital investment of €13.1billion over the next four years, we would have a capital budget of €15.7billion – €2.6billion more than Fine Gael and Labour. Of the €13.1billion committed to be spent by government (outside of what has already been allocated) we will examine the remaining capital commitments to ensure they meet the state's priorities of labour-intensive and necessary infrastructure. We will also look at Government-committed projects to ensure they are adequately funded. As it stands, the Government has committed to building the National Children's Hospital but it appears some of its funding will come from the sale of the National Lottery. We do not support the sale of semi-state assets, and priority projects like the Children's Hospital have to be budgeted for in real capital spend.


Why stimulus?

Stimulus is designed to give a boost to people now but increase the state's productive capacity in the long term.

There are approximately 460,000 people on the Live Register in the 26 Counties at the time of writing and 63,200 in the Six Counties. In the South, 30% of young people are unemployed and a growing proportion are long-term unemployed. Almost a third (30.3%) of all JSA (Jobs Seeker's Allowance) claimants in the North are under 25 while there are 48,000 (21.4%) 16 to 24-year-olds not in education, employment or training (classified as NEETS).

Emigration is in the thousands, with a large majority leaving coming from the under-25 bracket.

Fine Gael and Labour have talked a lot about job creation. They have produced glossy documents and tried to use the stick approach to get people to leave the dole without providing



the jobs for them to go to. According to Eurostat, at one point in September 2011, there were 50 job seekers to every job vacancy.

Over the last four years, there has been a private sector investment strike in the 26 Counties. The National Income and Expenditure accounts for 2010 show that the private sector had withdrawn €30billion from the economy up to that year. This is a collapse in investment stemming from a lack of confidence within the private sector in the Government's economic plans. Central Statistics Office figures show a slight increase in investment earlier in 2012 but not significant enough to counter the years of reduced investment.

European leaders have focussed on the banking crisis and lowering deficits. The link between unemployment and stagnating economies has not been made or is being willfully ignored by EU leaders. This has left Europe with a massive problem as a trading bloc. If everybody is refusing to spend but everyone hopes to export their way out of recession – where do the exports go?

Paying for a stimulus

Sinn Féin has proposed a €12.934billion additional investment package in job creation and economic growth over four years in the 26 Counties. We identify funds for this from the remaining €5.8billion in discretionary funding in the National Pension Reserve Fund (NPRF); €1.534billion in funding from the European Investment Bank (EIB); a €3billion incentivised investment from the private pension sector; and by maintaining €2.6billion in the capital budget spend, making instead necessary budget adjustments from current spending and taxation.


For NPRF funding to not count on the Government balance sheet, it will have to be spent as NPRF investment and to be investment it must see a return. A return will be achieved in many of our projects – broadband, the sugar beet industry, renewable energy, etc – but in others the returns are not so black and white. For these investments, the state will have to guarantee an investment return (similarly for the EIB investment). We propose that for a period of years a minimum interest rate is paid by the state (the NPRF has to make a 2% return and EIB loans are generally charged at the Euribor rate, which for one year is approximately 1%).

This will have a cost for the state annually and, at a later stage, the lump-sums will also have to be repaid. We envision the interest being paid from saved social welfare and increased tax receipts. The lump-sum will be paid to the EIB as normal debt (the Government, in borrowing from the EIB this year, has illustrated already it is willing to do this) and at a later stage to the NPRF when the state has returned to some form of financial health (€3.8billion will have to be repaid because we have shown how a €2 billion NPRF investment in retrofit will achieve a return).

We have ensured a return for the private pension industry in the retrofit proposal – to comply with Eurostat debt rules. This investment would have to be kept 'off balance sheet' and this could be done through a Special Purposes Vehicle, or potentially a Eurobond, as suggested by the Irish Congress of Trade Unions.

The impact of a stimulus

The data on multiplier effects (the effects in the economy that come alongside saved social welfare and increased taxation) of stimuli is many and varied. In our previous pre-Budget submissions, we have used the conservative multipliers of the ESRI Hermes model for Government finance



sensitivity to GDP growth and the Lane/Benetrix model for stimulus effect on GDP growth. Though conservative models, they still show a hugely beneficial (if temporary) effect of stimulus on economic growth. (Our pre-Budget submissions can be accessed at www.sinnfein.ie. In the appendices of this document we set out an illustrative economic impact of our stimulus proposals.)

Looking at the Construction Industry Federation, DKM economic consultants and ESRI modelling projections, the 2009 Edgar Morgenroth working paper for the ESRI accepts that capital investment of €1billion will create 8,000 jobs in the short-term and 4,000 jobs in the long-term. These are the figures used by the Department of Finance.

Our stimulus, excluding the jobs retention fund, entails almost €13billion additional expenditure on top of planned capital expenditure. This approximates to 104,000 short-term jobs and 52,000 long-term jobs. The jobs would be spaced out over the course of the stimulus and the length of the projects. The Nevin Economic Research Institute (in its stimulus paper 2012) averages additional employment for a similar value stimulus at between 43,000 and 64,000 in different years.

According to Government figures, each person unemployed costs the state in the region of €20,000 directly – that is money lost in PAYE and social welfare costs. This doesn't include indirect costs such as those felt in the local economy from dampened consumer spending.


What would we spend €12.934billion on?

All figures and costs are sourced from Government departments, the Construction Industry Federation and related sources. In all cases we have gone with the highest estimate. For example, in the Cork Dockland project, the figures are based on 2009 estimates. Clearly, these figures have now reduced, which means there may be savings to be made, but as a party in opposition we can only work with the figures that the Government chooses to make available to us and source elsewhere when they won't make figures available. In addition, while in some cases there is a project cost – such as renovating and building social housing – the savings to be made in rent allowance are not included because they would come later.

(Note: In Sinn Féin's pre-Budget proposals, we allow for the lifting of the recruitment ban to enable the staffing of our state-built facilities, such as schools and primary health care centres – the Government's summer 2012 stimulus mentions new school, primary healthcare centre and Garda station build against a backdrop of falling staff numbers and a hiring freeze).

New Enterprise

Re-establishment of a bio-refinery plant in the South-East, which would produce sugar as well as ethanol from beet and grain again. The estimated cost for this project at construction stage is €350million and comes from a study undertaken by the Irish Sugar Beet Bio-Refinery Group (backed by Pricewaterhouse Coopers) in December 2011 and has the potential to create 5,000 jobs. The prospect of reviving the sugar beet industry has been gaining momentum as the end of the quota system for sugar beet implemented by the European Commission is due in 2015. European sugar prices have also reached 30-year highs over the last year due to under-supply, hitting €800 per tonne, with occasional price spikes of €900. The Carlow and Mallow plants closed in 2005 and 2006 following EU sugar policy reform but, in 2010, a report by the European Court of



Auditors found that the closure of Greencore's Mallow factory was needless because the business was profitable at the time. **Cost: €350million.**

Broadband

- Invest the €2.5billion necessary for the roll-out of next-generation broadband access throughout the state. This will take Ireland to the top of the broadband league and will increase our attractiveness for high-tech jobs. **Cost: €2.5billion.**

Renewable Energy Infrastructure

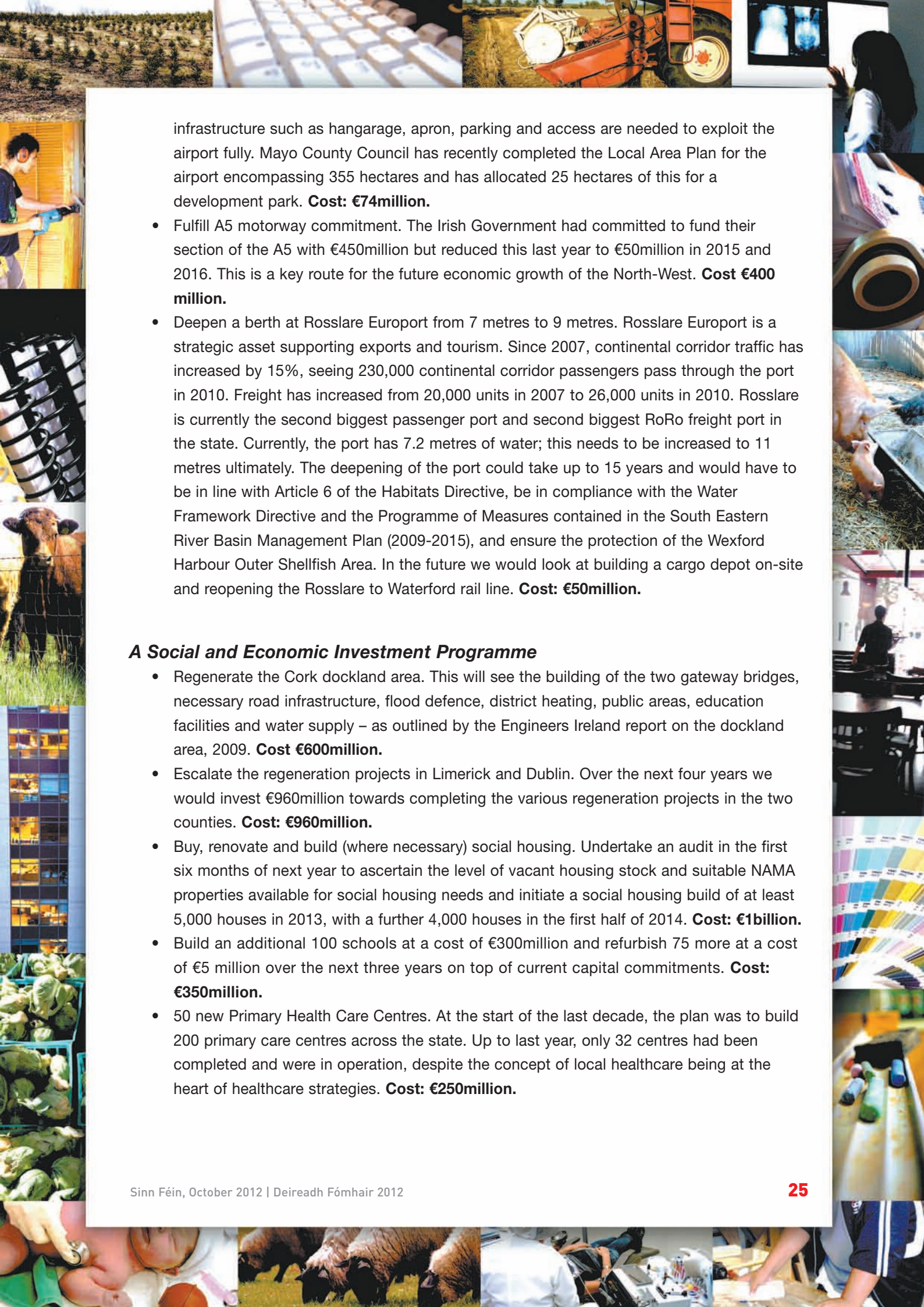
- Kick-start the wind power industry. We will reform and reduce the lead-in time necessary for projects and will mandate the ESB to develop an extra 300MW of offshore wind generation in five years. It is estimated that this industry has the capacity to create 50,000 jobs over 15 years. The recent announcement by an American company of an investment into wind energy production in this state is welcome on the jobs front but would not harness the potential profits of this industry for the state. Sinn Féin feels strongly that this renewable energy must have a state foothold. We would ensure wind energy projects were built in full consultation with local communities. **Cost: €800 million.**
- Invest in Belmullet wave energy project. Construct a full-scale, open-ocean test facility at Belmullet. The current approach is to bring the project to full consenting (planning, foreshore licensing, grid connection) by the end of 2012. It is expected that the cable procurement and installation, which is the main part of the project, will be extended to 2013/2014 on the basis of a continuing review of technology readiness levels and developer requirements. **Cost €100 million.**

Water Infrastructure

- Sequence investment in water infrastructure, beginning with the counties leading the 'unaccounted for water' tables, as provided by the Local Government Services review conducted annually. Focus on reservoir loss and distribution network. Fine Gael's NewERA document committed to investing €4.2billion to upgrade Ireland's water infrastructure. It pointed out that Ireland currently spends €700million (excluding capital expenditure) each year to produce clean drinking water, yet around 43% of water is wasted through leakages in the water system. This investment will assist councils in their ongoing attempts to protect the water supply. **Cost €500 million.**

Transport

- Invest in capital infrastructure at Knock Airport. Ireland West Airport Knock shows real potential to develop as a hub for aviation-related development for which there is a growing global market, a market in which airports such as Knock as well as Shannon are ideally placed to exploit. There is a backlog of infrastructure investments in safety and security projects in the airport's infrastructure, runway overlay, apron, taxi-ways, etc. Enabling



infrastructure such as hangarage, apron, parking and access are needed to exploit the airport fully. Mayo County Council has recently completed the Local Area Plan for the airport encompassing 355 hectares and has allocated 25 hectares of this for a development park. **Cost: €74million.**

- Fulfill A5 motorway commitment. The Irish Government had committed to fund their section of the A5 with €450million but reduced this last year to €50million in 2015 and 2016. This is a key route for the future economic growth of the North-West. **Cost €400 million.**
- Deepen a berth at Rosslare Europort from 7 metres to 9 metres. Rosslare Europort is a strategic asset supporting exports and tourism. Since 2007, continental corridor traffic has increased by 15%, seeing 230,000 continental corridor passengers pass through the port in 2010. Freight has increased from 20,000 units in 2007 to 26,000 units in 2010. Rosslare is currently the second biggest passenger port and second biggest RoRo freight port in the state. Currently, the port has 7.2 metres of water; this needs to be increased to 11 metres ultimately. The deepening of the port could take up to 15 years and would have to be in line with Article 6 of the Habitats Directive, be in compliance with the Water Framework Directive and the Programme of Measures contained in the South Eastern River Basin Management Plan (2009-2015), and ensure the protection of the Wexford Harbour Outer Shellfish Area. In the future we would look at building a cargo depot on-site and reopening the Rosslare to Waterford rail line. **Cost: €50million.**

A Social and Economic Investment Programme

- Regenerate the Cork dockland area. This will see the building of the two gateway bridges, necessary road infrastructure, flood defence, district heating, public areas, education facilities and water supply – as outlined by the Engineers Ireland report on the dockland area, 2009. **Cost €600million.**
- Escalate the regeneration projects in Limerick and Dublin. Over the next four years we would invest €960million towards completing the various regeneration projects in the two counties. **Cost: €960million.**
- Buy, renovate and build (where necessary) social housing. Undertake an audit in the first six months of next year to ascertain the level of vacant housing stock and suitable NAMA properties available for social housing needs and initiate a social housing build of at least 5,000 houses in 2013, with a further 4,000 houses in the first half of 2014. **Cost: €1billion.**
- Build an additional 100 schools at a cost of €300million and refurbish 75 more at a cost of €5 million over the next three years on top of current capital commitments. **Cost: €350million.**
- 50 new Primary Health Care Centres. At the start of the last decade, the plan was to build 200 primary care centres across the state. Up to last year, only 32 centres had been completed and were in operation, despite the concept of local healthcare being at the heart of healthcare strategies. **Cost: €250million.**



Retro-fitting

The trade union movement has already put forward a policy with regard to the pensions industry and investment. This entails incentivising a percentage of the €78billion industry to invest in Ireland. We have discussed the following proposal, which would entail a public building and housing insulation retrofit plan, with the pensions industry. From our initial contacts with the pension industry we believe the proposal is workable and that they would be happy to engage with it. This proposal is realisable through the pension industry alone but we have also been contacted by the credit union sector regarding their interest in investing in socially-beneficial projects and believe that they could be involved in the outworking of such an ambitious programme. Before the proposal was implemented, we would convene an expert group made up of representatives of the pensions industry, relevant government departments, St Vincent de Paul, the construction industry, energy providers and Sustainable Energy Ireland to discuss its outworkings.


€5billion investment project in retrofitting

There are 1.4million houses in Ireland still in need of insulation retrofit and 130,000 non-residential buildings (according to the Construction Industry Federation). According to the Institute of International European Affairs (IIEA), approximately €14billion of investment would be required to bring the residential housing stock up to an average Building Energy Rating (BER) of C1. An investment of €10,000 per home would, according to the IIEA, save the average household approximately €1,496 per year. It would also help Ireland reach its 20% energy efficiency target by 2020.

The requirement for state buildings to have a BER certificate is limited to specific circumstances and so very few buildings in the state portfolio have them. There is a requirement for large public buildings (over 1,000 square metres) to have a Display Energy Certificate (DEC). The DEC is similar to a BER but is based on actual energy consumption. In the buildings owned or leased by the Office of Public Works (OPW), approximately 270 buildings require a DEC certificate. DEC certificates have been produced for 165 of these buildings and work is ongoing on the remainder.

Energy-related works/refurbishment have been carried out on a number of buildings in the OPW portfolio in recent years. The work that has been completed varies considerably but has been mostly on mechanical and electrical plant and equipment. Departments and agencies are responsible for the payment of their own energy costs and so the information is not held centrally. OPW estimates it to be in the order of €40million. The larger buildings requiring a DEC are approximately 75% of this total. The current policy in regard to energy saving is to reduce energy use by low-cost measures in the first instance and then follow on with high return improvement/refurbishment works.

- Sinn Féin would facilitate the private pension Industry to invest €3billion into a guaranteed and interest bearing Green Fund. This investment would be matched by €2billion in investment from the NPRF. €5billion investment would, according to the IIEA, retrofit insulation in 500,000 houses and see total energy savings of €748million per year when all houses were complete. Over the course of ten years, consumers will pay their bills as normal (though they will reduce in that time period



due to lower energy use). However, we would wish to start the project on public buildings. No figures have been forthcoming from the Department of Finance on what it would cost to retrofit the public buildings, or what energy savings could be made, despite a Parliamentary Question to this effect. For this reason, we can only illustrate how the scheme would work based on average house figures.

Over the course of the ten years of repayment, the excess portion of householders' bills would be paid to the Green Fund. When all houses are completed, after the ten years the fund would hold in the region of €7.48billion – repaying the cost of the retrofit and giving the investors an average return of almost 5% per annum. At the end of ten years, energy bills would have reduced dramatically and houses would be retrofitted. The scheme would have to be limited in the first instance to bill-paying customers (e.g., gas and ESB) until a system could be found to deal with purchasers of heating oil direct from source


3. Make tackling youth unemployment a national priority

One in four young people is now unemployed in the 26 Counties. Youth unemployment is almost 30% – double the overall rate. The majority of the thousands leaving the country in recent years are in their 20s. Latest figures show almost a third of males aged between 20 and 24 are jobless (32%) and over a fifth of young women (22%). If the Government doesn't act to tackle soaring youth unemployment this will have huge implications for the economy and for society into the future. But the Government has no strategy to keep young people in Ireland and use their skills to rebuild the economy. Emigration is not a solution. Cutting youth dole payments is not a solution. Cutting or driving down wages is not a solution. The issue of youth unemployment isn't just about tackling a problem – crucially, it is a matter of accessing an untapped potential and using that potential to build a better future. Investing in youth employment now will pay dividends well into the future. The countries that have successfully tackled youth unemployment are those that have made greater investment in building up the capabilities of people who are unemployed. A 'hands on' approach is required to help young people make the transition between education and workplace in a time of severe economic difficulty.

We need to deal with the legacy of the Celtic Tiger and the fact that so many young people over the last decade left education early and entered sectors of the economy such as construction which have now collapsed. We need to focus on the long-term prospects of those who are currently unemployed.

While Ireland ranks very high in the youth unemployment rankings, we rank even higher in the number of our young people who are 'Neither in Education, Employment or Training' (NEETs), as outlined in the section on the work in Assembly above. In the North, Sinn Féin has actively introduced policies to bring the high level of NEETs down; south of the Border, the Government has been slow to recognise the problem.

The reliance on JobBridge and other 'internship' programmes is a mistake. Not only are there well-documented issues around job displacement and exploitation but there is, crucially, strong



evidence to suggest that young people whose first involvement in the job market is unpaid never fully recover their earning or skills potential.

Sinn Féin proposals:-

- Reverse the extension of the retirement age – a Government policy which, as well as forcing people to work longer, will actively keep younger people out of jobs, particularly in areas like the public sector.
- An individual plan for the long-term prospects of every person under 25 on the Live Register.
- A skills audit of all those under the age of 25 who are currently unemployed, to be carried out within three months, to identify the gaps between the skills of the unemployed and the skills required for those sectors of the economy identified as potential growth sectors.
- Lifting the suspension on the Early Farm Retirement Scheme to make farming an option for younger people.
- Maintaining numbers and modernising Community Employment schemes, making the schemes more relevant for the needs of society and local government, and ring-fencing a set number of places for the young unemployed. All schemes should fit into the FETAC or HETAC awards scheme so students can progress to higher levels of educational attainment and qualifications. This means lifting the bar on under-25s to CE schemes. In 2012, there are many under-25s who are long-term unemployed.
- Establish a public sector internship programme with other EU states to allow unemployed young people to improve their language skills in the workplace.
- The extension of the BOOST and RYE (Rural Youth Entrepreneurship) programmes (Six-County programmes aimed to develop business potential and increase skills among vulnerable 16 to 30-year-olds in rural areas) to the 26 Counties, making them all-Ireland.



4. Removing the obstacles – Assisting businesses and manufacturers to develop

Since 2008, Ireland has seen a marked decline in its business environment. This has been reflected in the number of lay-offs and the collapse in private sector investment in the Irish economy. Sinn Féin believes that there are a number of steps that must be taken to effectively assist businesses and manufacturers to develop and create jobs. This will alleviate the unemployment crisis now and ensure our manufacturers retain a competitive advantage in the future.

Key all-island business statistics


In each quarter, Intertrade Ireland produces a monitor of 1,000 businesses across the island of Ireland. The following findings were made in the first 2012 quarter and the last quarter of 2011.

- Businesses cited factors outside their control (such as rising energy costs, cash flow, consumer confidence and a reduction in demand) as the key business issues facing them.
- Almost two thirds (65%) of businesses reported that they do not export their goods and services.
- Only one in six (15%) of firms reported they were currently in growth mode with almost half (46%) contracting, fighting for survival or winding up.
- Only 4% of businesses reported that they had increased the number of employees in the last quarter.
- Only 7% of firms applied for credit within the past three to six months, half the figure from a year previous.
- Two fifths (41%) of businesses reported that lack of finance for investment is constraining growth plans.

In addition to these startling figures, we know that 68 Receivers were appointed to companies in the 26 Counties between July and September in 2011 (insolvencyjournal.ie). The total number of businesses that failed for 2011 was 1,930, up 20% on 2010. There have been countless reports written on why businesses are suffering such a contraction in their operations. Businesses themselves and through their lobby groups (such as ISME in the 26 Counties) have identified the steps that must be taken to assist them through this difficult period. Here we set out the specific problem areas with the steps that we would take in each of them.

Job Retention – Sinn Féin proposal

- Sinn Féin will introduce a job retention scheme at a cost of €100million to protect almost 15,000 jobs in one year. This is a directly-related current spending figure which would be paid for from new taxation measures and savings in social welfare for the year of its duration. The jobs retention fund was originally proposed by Sinn Féin in our 2009 document, *Getting Ireland Back to Work*. The aim is to subsidise workers in SMEs struggling to keep on employees. The fund would be time limited and be implemented in



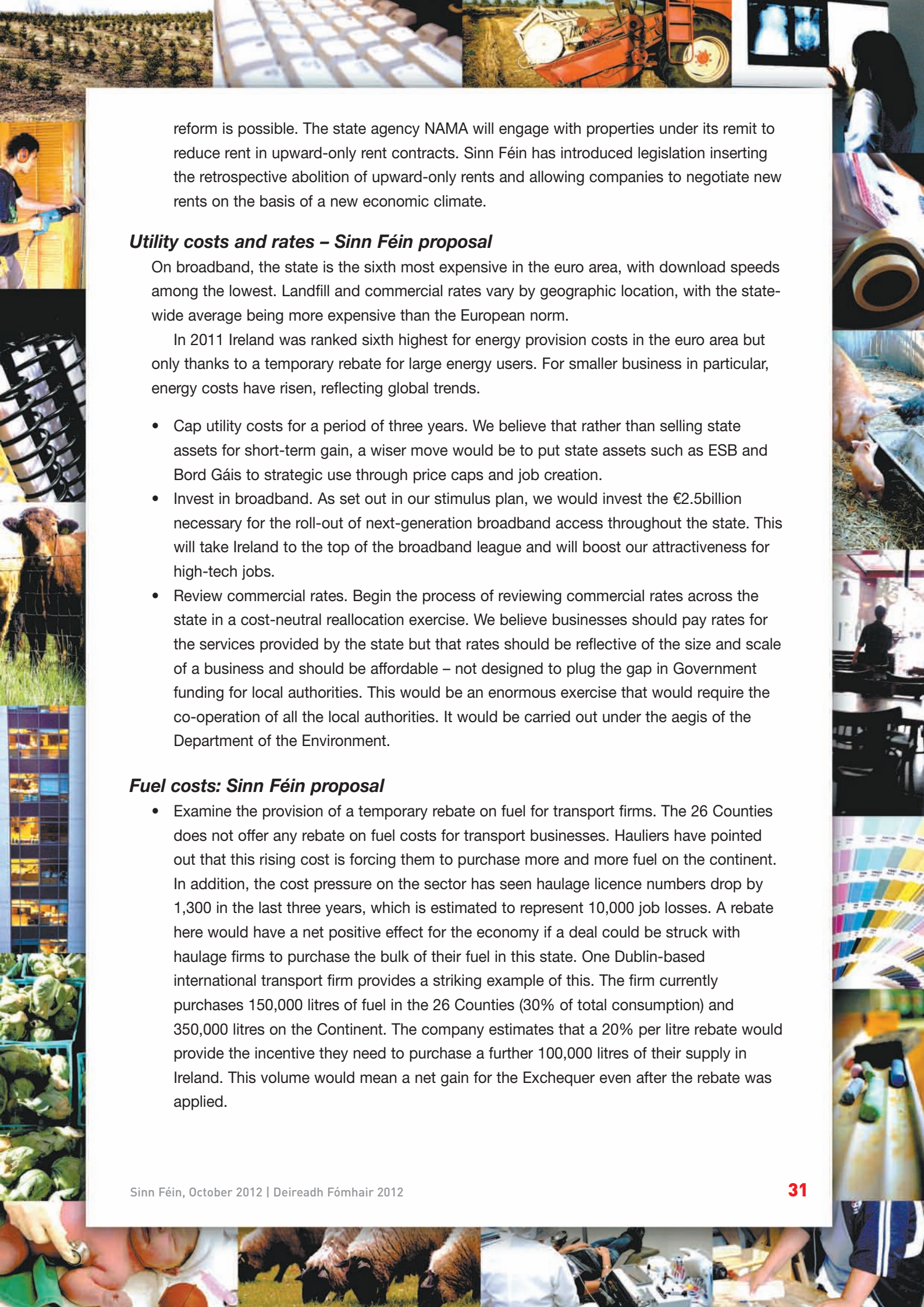
conjunction with an increased Revenue and Labour Inspectorate. The subsidy will apply to each individual job and will be no greater than the Job Seeker's Benefit equivalent, or a minimum of 20% of the average wage, and will be reviewed after one year. It can only apply if employers prove that there is still demand for their product and that they have a sustainable business plan. (The standard industrial wage is approximately €34,000, which is approximately €653 per week – 20% is €130. A €100million fund could potentially save 14,700 jobs over one year at that average level of subsidy.) The fund will be accountable to the Houses of the Oireachtas and all funding decisions will have to be shown to be made independently on the basis of good business cases. It will be administered through the Department of Jobs and Enterprise and Innovation and the Department of Social Protection. Cost: €100million.

Access to credit – Sinn Féin proposal

- Examine the possibility of establishing a state bank. Businesses need a constant flow of credit to operate. The National Competitiveness Council has found that both the demand for credit and the supply have been on a steady decline since the beginning of the banking crisis. The reasons for demand being weak have much to do with the perception of how business will be treated by banks when an application is made for credit. In 2011 alone, the Irish Government provided over €21billion in recapitalisation to Irish banks. As it is expected that Irish banks will need further recapitalisation, it is Sinn Féin's view that, rather than pumping money into banks that are not performing for the economy, the state should take a direct hand in administering how recapitalisation is spent. Following the latest tranche of recapitalisation, the state controls AIB, EBS and PTSB and has a minority interest in Bank of Ireland. Sinn Féin would explore the option of transforming one of the nationalised banks or a portion of AIB into a state bank focused on business investment and development. This would save the state money in the physical establishment of such an entity. This bank would take up where the likes of the Irish Credit Corporation left off.

Rent costs – Sinn Féin proposal

- Abolish upward-only rents. Upward-only rent review leases are one of the leading problems for businesses. Being locked into contracts with rents fixed at boom-time levels – despite the subsequent 50% drop in property prices and facing only increases in rent while sales decline and costs rise – is a potent mix for business failure. The state itself is locked into contracts with upward-only rent clauses costing €53million per year. The Government recognises the problem and, in fact, during the 2011 Dáil general election campaign, the Labour Party committed itself to introducing legislation to deal with upward-only rents. And that commitment dovetailed with Fine Gael's commitment given in the Coalition Programme for Government. Yet, in December 2011, that commitment was abandoned, purportedly for constitutional reasons. The Government will not make public the advice upon which it relied, despite claims that constitutionally-compliant



reform is possible. The state agency NAMA will engage with properties under its remit to reduce rent in upward-only rent contracts. Sinn Féin has introduced legislation inserting the retrospective abolition of upward-only rents and allowing companies to negotiate new rents on the basis of a new economic climate.

Utility costs and rates – Sinn Féin proposal

On broadband, the state is the sixth most expensive in the euro area, with download speeds among the lowest. Landfill and commercial rates vary by geographic location, with the state-wide average being more expensive than the European norm.

In 2011 Ireland was ranked sixth highest for energy provision costs in the euro area but only thanks to a temporary rebate for large energy users. For smaller business in particular, energy costs have risen, reflecting global trends.

- Cap utility costs for a period of three years. We believe that rather than selling state assets for short-term gain, a wiser move would be to put state assets such as ESB and Bord Gáis to strategic use through price caps and job creation.
- Invest in broadband. As set out in our stimulus plan, we would invest the €2.5 billion necessary for the roll-out of next-generation broadband access throughout the state. This will take Ireland to the top of the broadband league and will boost our attractiveness for high-tech jobs.
- Review commercial rates. Begin the process of reviewing commercial rates across the state in a cost-neutral reallocation exercise. We believe businesses should pay rates for the services provided by the state but that rates should be reflective of the size and scale of a business and should be affordable – not designed to plug the gap in Government funding for local authorities. This would be an enormous exercise that would require the co-operation of all the local authorities. It would be carried out under the aegis of the Department of the Environment.

Fuel costs: Sinn Féin proposal

- Examine the provision of a temporary rebate on fuel for transport firms. The 26 Counties does not offer any rebate on fuel costs for transport businesses. Hauliers have pointed out that this rising cost is forcing them to purchase more and more fuel on the continent. In addition, the cost pressure on the sector has seen haulage licence numbers drop by 1,300 in the last three years, which is estimated to represent 10,000 job losses. A rebate here would have a net positive effect for the economy if a deal could be struck with haulage firms to purchase the bulk of their fuel in this state. One Dublin-based international transport firm provides a striking example of this. The firm currently purchases 150,000 litres of fuel in the 26 Counties (30% of total consumption) and 350,000 litres on the Continent. The company estimates that a 20% per litre rebate would provide the incentive they need to purchase a further 100,000 litres of their supply in Ireland. This volume would mean a net gain for the Exchequer even after the rebate was applied.



On-time payments – Sinn Féin proposal

- Prioritise the review of the prompt payments legislation as called for by ISME and ensure the ‘15-day rule’ is adhered to by state agencies. Ensure that there are also prompt payments of benefits owing from employment, such as redundancy payments. Delay in payments amongst Irish businesses is seen as a significant obstacle for operating a successful business. In 2011, ISME found that small businesses were waiting over 71 days for invoices to be paid. The EU passed a Directive in 2002 to deal with late payments. However, despite penalties, it remains an issue here. Sinn Féin TDs have even been contacted in relation to late payments to sub-contractors from developers operating within the NAMA structures. Other state agencies have also been accused of making late payments to private suppliers.

Brand Ireland – Sinn Féin proposals

- Review the current sell-by date regulations which allow importers to avail of the same sell-by date as domestic producers despite the fact their products are actually in the market longer, including the import process. We would also introduce air miles labelling for all imports.
- Tackle mis-use of ‘Irish’ branding. Initiate a campaign to urge the food catering industry to use domestic suppliers and increased monitoring of ‘Irish goods’ labeling (there is mounting evidence that the ‘Ireland’ brand is being mis-sold to confuse consumers who want to buy Irish).

Tax credits for home-grown purchases. Examine the use of tax credits for multinational corporations which source Irish-produced materials as opposed to importing. The National Linkage Programme 1985 was established to develop a supply base in Ireland that would maximise local purchases of Irish materials, components and services by foreign-owned organisations located in Ireland. Reports show the programme was successful for a short period but the inability of Irish companies to enlarge their scale deterred multinational corporations. In straitened times, the attractiveness of targeted tax credits could kick-start this initiative back to life.

Procurement – Sinn Féin proposal

- Open up state procurement to small companies. Comprehensively review state and local authority procurement projects with the aim of breaking them down and allowing smaller businesses to compete for tenders. Intertrade Ireland currently runs a ‘Go2Tender’ training process, advising businesses how to tender on an all-Ireland basis. We support this initiative, which should be met by both governments halfway through smaller procurement sections. In the 26 Counties alone, €13.1 billion was spent on procurement in 2011.



Licence delays – Sinn Féin proposal

- Ensure there are no delays in licence applications. This issue is spread across all sectors but was starkly brought to the attention of the public last year when the Irish Shellfish Association revealed that 600 aquaculture licences were being held up in the Department of Agriculture, delaying the production of 2,000 jobs. It is not clear from the Government whether this is a delay brought on by lack of staff or a failure to make clearance a priority. We would ensure all licence applications through Government departments are dealt with appropriately and efficiently.

Tackle the costs of doing business on the Border – Sinn Féin proposal

Businesses on both sides of the Border have taken the lead in cross-Border trading and investment over the last couple of years. While there has been co-operation between the two governments, North and South, there are still a number of impediments to doing business on an all-island basis. These include: cross-Border credit card transaction fees; telecommunication cross-Border charges; and dual tax and payroll systems. Sinn Féin is working to see a harmonised tax system on the island. This will require fiscal powers to be devolved from Westminster to the Assembly. In the interim, there are a number of steps we would take:-


- Leinster House and the Assembly to agree a strategy to get credit card and mobile phone companies to remove the Border from their roaming charging systems and cross-Border administration costs and treat the island as one entity for costs. InterTrade Ireland could spearhead this work.
- Re-examine the regulatory barriers to doing business on the Border. InterTrade Ireland conducted a study on this in 2009 and made a number of recommendations which we will review and implement where necessary.
- Remove impediments to transferring staff north and south – organise direct co-ordination between relevant government offices to ensure working north or south is not seen as ‘working in a foreign country’ with all the difficulty that entails.

Childcare

- Commit to devising a state childcare strategy to reduce the cost of childcare (the 26 Counties is among the highest in Europe) and enable parents to be in the workforce. This strategy should not just rely on state intervention but on the role employers can play in providing on-site childcare where feasible.

5. Supporting entrepreneurs to create new jobs

People in this state are nearly twice as likely to set up their own business as their European counterparts. This is despite the fact that the state puts a number of obstacles in the way of entrepreneurs establishing themselves. The lack of protection for those whose businesses fail, the difficulty in accessing start-up finance and the lack of support in dealing with matters such as



regulatory compliance and business management deter many people from becoming entrepreneurs.

According to 'Electronic Entrepreneur Portfolios', the majority of self-employed individuals in Ireland are aged between 35 and 54 years of age. The number of self-employed individuals under 25 has decreased by almost 50% in the last five years with only 0.8% of self-employed individuals aged under 25 in 2010 (CSO, 2010).

Sinn Féin proposals:-

- Introduce improved social insurance safety nets for those who choose self-employment in the event of their business venture not working out. This would mean that self-employed people would be given the option of paying PRSI at the same level as PAYE workers in order to receive the same entitlements in the event that they become unemployed. Our aim is to protect people who want to become self-employed but also to protect the state by making sure contributions are paid. This will be a cost neutral exercise.
- Audit existing empty units, particularly those under the Government's and IDA's remit, with the view of establishing some as 'rate-free, rent-free' for new businesses for their start-up period.
- Establish a website that would allow entrepreneurs to market their ideas and seek venture capital funding online. This idea is taking off around the world – the entrepreneur explains their concept and lays out their initial steps and potential investors place seed funding in protected accounts to be accessed as the business/idea is established. We would target this website initially at the Irish Diaspora before marketing it widely.
- Make running a business easier through the establishment either by the state or by co-operation between enterprises (for example, on a regional basis) of a firm or co-op to provide tax preparation, payroll and legal services, accounting, preparation of business proposals for requests for capital and regulatory compliance services for a fee – thus reducing costs for small and start-up businesses and making it easier for them to focus on their product (we deal with this proposal in our section on co-ops).
- Launch a state-wide entrepreneurship programme with incubation centres around the regions.
- Initiate a specific Redundancy to Entrepreneurship Scheme to assist redundant workers to establish their own businesses.
- Introduce employment and industrial relations law consolidation legislation. This would be easier for small business to understand and comply with.
- Create a Start Your Own Business (SYOB) mentoring programme where people who are currently in business and those who have just become unemployed but have a wealth of experience are nominated onto a SYOB mentoring panel which will hand-hold new business.
- Create an 'Operation Ireland Programme' where small Irish businesses with fewer than 10 employees would be able to avail of market research of international markets and travel on export sales trips.

6. Developing the agri-food sector

In 2010, Sinn Féin produced a report for the Joint Oireachtas committee on Enterprise, Trade and Employment entitled *What is Required to Expand Employment in the Agri-Food Sector?* This document outlined the huge importance of the indigenous sector for growth and job creation. It looked at all aspects of the agri-food industry with the objective of identifying strengths and weaknesses and drawing up a list of recommendations on future strategy.


That agri-food is the strongest indigenous sector is underlined by the fact that less than 17% of raw material inputs are imported compared to over 60% for the manufacturing sector overall. That means that it is in a stronger position for growth if the proper focus is placed on exploiting Ireland's comparative advantage as a food producer, processor and exporter. The importance of this in the current economic climate cannot be underestimated.

One of the significant findings of the report is the resilience of the agri-food sector relative to other sectors of the Irish economy. While the past two years have witnessed a sharp fall in the numbers employed across all sectors, most agri-food companies reported an increase in employment. It was also found that smaller enterprises were less likely than bigger concerns to have made workers redundant. That also has significance in terms of the robustness of smaller indigenous firms and their position within the domestic economy, suggesting a greater resistance to the global trends that have impacted far more severely in other sectors, including other manufacturing sectors.

The agri-food report is extensive and can be accessed online at www.sinnfein.ie. We set out here the key findings in relation to job creation. (We deal with the issue of labeling in our business competitiveness section).

Sinn Féin proposals:-

- The establishment of a regulatory impact analysis process for the agri-food sector that looks at the burdens being placed on enterprises by excessive regulation with a view to creating efficiencies within the regulatory system.
- Establish a forum of all supermarket suppliers and members of each producer organisation, who subsequently set up a working committee of each representative group/sub-sector, to negotiate a fair trading regime on behalf of suppliers, possibly on an all-Ireland basis.
- VAT, Excise and Corporation Tax differentials along with sterling depreciation cost our economy dearly and create crippling disadvantages for both jurisdictions. An All-Ireland Economic Committee made up of decision-makers from the Dáil and the Assembly must be constituted in order to steer both jurisdictions towards convergence in these areas.
- The scandal of dioxin-contaminated Irish pork products is an example of the damage a disjointed ministerial approach can have on our international food brand. Agriculture, like other sectors, naturally operates on an all-Ireland basis. As a result it is imperative that the 'Food Island' brand be safeguarded by all-Ireland standards. This necessitates an all-Ireland agricultural body to implement such standards.
- Educational courses to prepare people for careers in the agri-food should be developed



and therein provision should be made for the availability of the courses on a full-time and part-time basis to accommodate farmers, fishermen, etc.

- Commission Regulation (EC) No 1857/2006 of 15 December 2006 on the application of Article 87 and 88 of the Treaty to state aid to small and medium-sized enterprises active in the production of agricultural products should be utilised wholly to introduce a process of job rotation to provide work while enhancing skills of people at work.

7. Using existing and new state enterprises to drive economic recovery

Earlier this year, 39 economists wrote an open letter calling on the Government to employ the strength of the state's combined public enterprises – their 'off balance sheet' borrowing and investment capacity – to invest in our infrastructure and create new indigenous enterprises, both public and private. All noted that this will require a new approach to our state assets – utilising them as strategic components of a 21st century industrial policy. Sinn Féin has consistently argued that commercial semi-states should be viewed by Government as the engine of economic recovery.

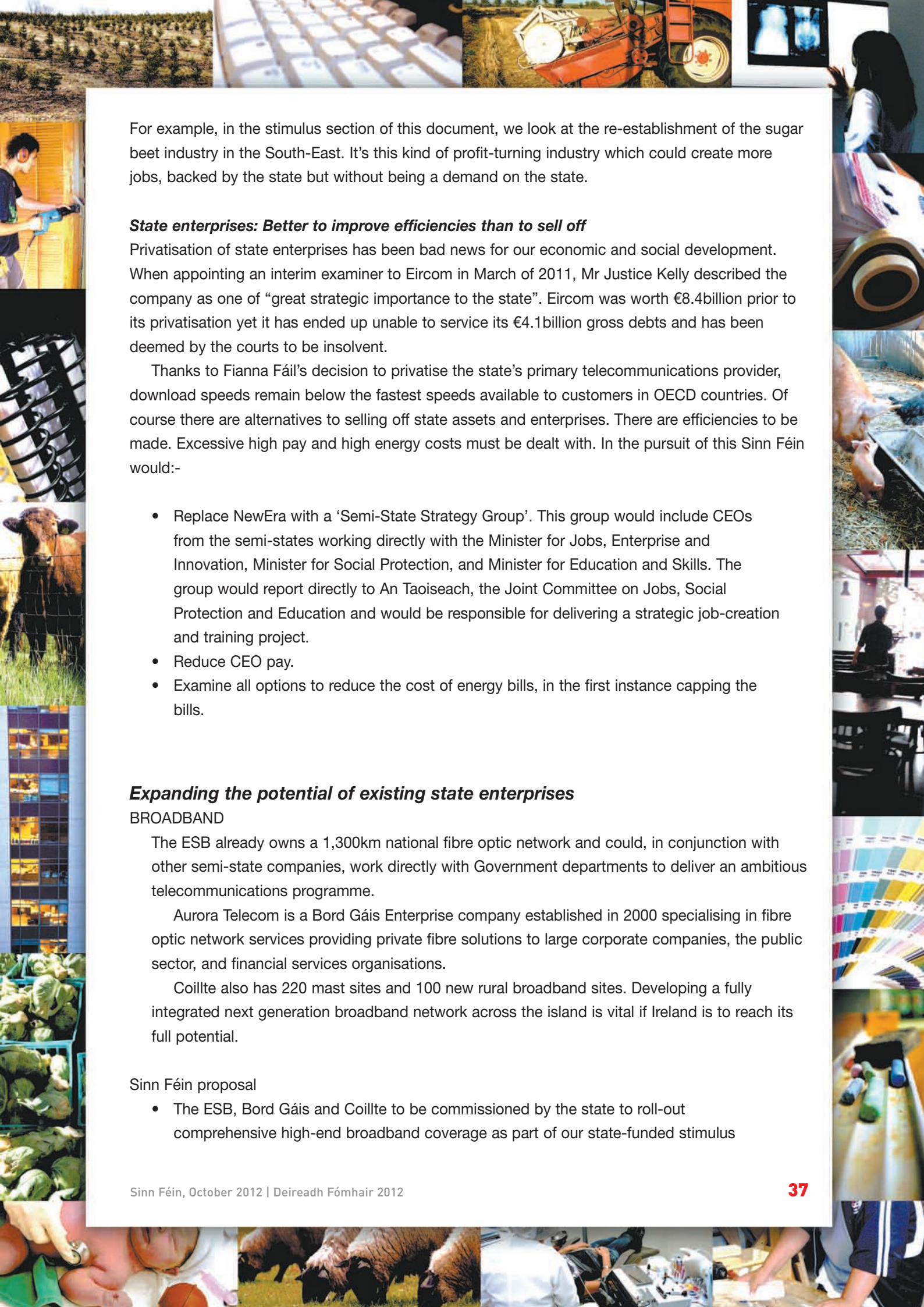
There is a preconception that state enterprises can only exist where there is a natural monopoly. There is also a preconception that state-owned enterprises are always wasteful and inefficient. Self-financing profitable companies such as the ESB and Bord Gáis debunk this myth. Unlike the Government, both companies have been in a position to borrow on the international market throughout the recent economic and financial crisis.

Unfortunately, this government views state enterprises as assets that can be sold for short-term gain rather than sustainable businesses providing employment and a financial return to the state. Selling off state enterprises is a knee-jerk measure with a long-term cost. Government should instead retain these strategic assets, using them as a tool to deliver our economy out of recession whilst safeguarding the state's infrastructure.

When looking at what role state enterprises can play in economic development, the following questions must be addressed:-

- **Can state enterprises provide employment?**
- **Can they be profitable?**
- **Can they be competitive?**
- **Can they drive economic growth?**
- **Can they be resilient in times of economic difficulty?**
- **Can they provide goods or services that are not currently being provided or do it in a better way?**
- **Would establishing a state enterprise kick-start or drive economic development in a sector where the state wants to see investment?**

If these questions are answered honestly – it's clear that state enterprises have a role to play in economic recovery and job retention and creation. As well as looking to protect and utilise our current state enterprises, Sinn Féin believes there is a role for more state enterprises in the future.



For example, in the stimulus section of this document, we look at the re-establishment of the sugar beet industry in the South-East. It's this kind of profit-turning industry which could create more jobs, backed by the state but without being a demand on the state.

State enterprises: Better to improve efficiencies than to sell off

Privatisation of state enterprises has been bad news for our economic and social development. When appointing an interim examiner to Eircom in March of 2011, Mr Justice Kelly described the company as one of "great strategic importance to the state". Eircom was worth €8.4 billion prior to its privatisation yet it has ended up unable to service its €4.1 billion gross debts and has been deemed by the courts to be insolvent.

Thanks to Fianna Fáil's decision to privatise the state's primary telecommunications provider, download speeds remain below the fastest speeds available to customers in OECD countries. Of course there are alternatives to selling off state assets and enterprises. There are efficiencies to be made. Excessive high pay and high energy costs must be dealt with. In the pursuit of this Sinn Féin would:-

- Replace NewEra with a 'Semi-State Strategy Group'. This group would include CEOs from the semi-states working directly with the Minister for Jobs, Enterprise and Innovation, Minister for Social Protection, and Minister for Education and Skills. The group would report directly to An Taoiseach, the Joint Committee on Jobs, Social Protection and Education and would be responsible for delivering a strategic job-creation and training project.
- Reduce CEO pay.
- Examine all options to reduce the cost of energy bills, in the first instance capping the bills.

Expanding the potential of existing state enterprises

BROADBAND


The ESB already owns a 1,300km national fibre optic network and could, in conjunction with other semi-state companies, work directly with Government departments to deliver an ambitious telecommunications programme.

Aurora Telecom is a Bord Gáis Enterprise company established in 2000 specialising in fibre optic network services providing private fibre solutions to large corporate companies, the public sector, and financial services organisations.

Coillte also has 220 mast sites and 100 new rural broadband sites. Developing a fully integrated next generation broadband network across the island is vital if Ireland is to reach its full potential.

Sinn Féin proposal

- The ESB, Bord Gáis and Coillte to be commissioned by the state to roll-out comprehensive high-end broadband coverage as part of our state-funded stimulus



package. The companies will work together on this project. The returns on the broadband provision (consumers' bills) would be split between the funders (NPRF/EIB) and the companies.

RENEWABLE ENERGY

Renewables are the new frontier of energy supply. International energy expert John Travers believes Ireland has more than three times its total energy requirements available from readily accessible renewable energy sources on its own doorstep, yet we continue to import 89% of the fuel we need for energy, relying heavily on fossil fuels to the tune of €6billion each year.

Travers argues that this reality provides an extraordinary opportunity for the island to use its own natural resources, in a cost competitive way, to achieve energy independence and become a world leader in the use of clean energy. He has said that 20% of total Irish energy needs can be met by renewable energy by 2020, 80% by 2050, and that 20% of Irish GDP can be derived from clean energy exports.

Energy bills and our reliance on imported fuels are linked as wholesale prices are determined to a large degree by the international market. However, investment in renewable energy infrastructure remains challenging. A report published by IBEC's and the British CBI's Joint Business Council in July of 2011 revealed big investors remain worried that the amounts required are simply too high and that major utility companies operating in the North of Ireland, the 26 Counties and Scotland simply cannot accommodate such an outlay on their balance sheets.

The Joint Business Council also notes that research suggests that project finance from the banking sector and investment from infrastructure funds will not be able to make up the difference, amounting to what Barclays and Accenture are calling a "carbon capital chasm". Encouragingly, the research concludes that investment challenges are not insurmountable provided governments plot the right course of action.


Sinn Féin proposal

- Scotland is a leading example in the field of renewable energy generation and has set the challenging target of becoming a net exporter of electricity by 2020, generating up to £2billion per annum by exporting electricity. Ireland must also set itself an ambitious renewable export target if we are to realise our island's full potential. In our stimulus section we outline €900million worth of investment in wind and wave energy. The Government must also look at making a profit from our natural resources and redirecting it into renewable development.

BIOMASS

In a recently-published study assessing the socio-economic benefits of developing the bioenergy sector in Ireland, the Irish BioEnergy Association (IrBEA) outlined the potential economic benefits of the state meeting its bioenergy targets by 2020. IrBEA has put forward what it considers are conservative findings, including the creation of 3,600 new permanent jobs in the bioenergy sector and the reduction of Ireland's import energy bill by 7.5%

Bord na Móna has been increasing its biomass/peat co-fuelling at Edenderry Power Limited



over the last three years and has successfully trialled in excess of 50% biomass substitution. In tandem it has been developing the supply stream of biomass materials and has been engaging with farming communities by creating a sustainable outlet for materials grown and a sustainable income stream for them. Substantial farm-related employment can be generated from biomass growth and processing and Bord na Mona is driving such projects.

Coillte is also developing biomass capacity and works with SISK CES Energy to develop biomass systems using wood pulp and other crops to generate electricity. The growth potential of this partnership is not limited to the domestic economy, as recent projects have shown. Consultancy and product provision are just two areas of the company's biomass division that could be expanded into developing markets.

There is also huge potential for the agricultural sector whose land can be converted for biomass crops.

Sinn Féin proposal

- In our stimulus section we outline investment in the sugar beet industry, the byproduct of which is ethanol. In addition, we would bring together the relevant state agencies, such as Coillte and Bord na Móna to develop a joint future strategy on bioenergy.

WIND ENERGY

Bord Gáis Energy's assets division currently operates 234MW of wind power and has a total wind portfolio in excess of 750MW enhanced by its acquisition of West Cork based SWS Natural Resources, one of the largest wind generators in Ireland. The majority of its portfolio is to be developed over the next five to six years.


Bord na Móna is currently engaged in the construction of two large midland windfarms. Working alongside the national climate change agenda these investments will form the foundation of what in time can become an export hub for green energy located on Bord na Móna lands post-peat production. Estimated capacity is between 1GW to 2GW and sizeable enough to enable foreign exports via inter connectors to Britain. Employment created here will centre mainly on construction followed by operations and maintenance.

Bord na Móna, in developing its wind farm capacity, does so on land that is in its ownership and utilises its operations and management experience as well as in-house technical and planning competencies to deliver new products. The company has partnered with the ESB to develop the proposed wind farm in Mayo due to the scale of the investment. Semi-state companies typically operate independently to one another to date on wind farm development but this project is an example of what can be delivered on when these companies combine resources and work together.

Coillte is also a significant player in renewable energy with a portfolio of over 400MW of wind farm projects selling and leasing sites to third parties. It also provides renewable heat solutions to industrial clients.

Sinn Féin proposal

- **Current wind power projects by each of the commercial semi-states is a good news**



story but Government must see its role as one of active oversight and co-funder to ensure the maximum benefit to the national interest by meeting ambitious wind energy targets. We have shown how an additional €800 million could be spent in a stimulus package on wind energy. This must be done in conjunction with the state agencies already active in this area.

Other areas to develop

WASTE MANAGEMENT & RESOURCE RECOVERY

Bord na Móna continues to invest in landfill avoidance and diversion technologies and currently operates the largest green waste composting facility on the island. The composted materials are incorporated into its horticultural products, the bulk of this which is exported to Britain. Employment is generated locally in the sourcing, transportation and processing of this green waste. Further investment in brown bin composting technology will provide increased peat diluents to meet the market needs for reduced peat products. Investment in materials recovery technology at its waste processing facilities is planned to reduce landfill use and to increase the quality and value of materials recovered. Sustainable employment will be generated from all these investments.

ECO-TOURISM

Coillte is the leading provider of outdoor recreation in Ireland with an estimated 18 million visits to forests under its management each year. There are 10 forest parks and over 150 recreation sites with the company at the forefront in building and managing a network of world-class mountain bike trails across the country. Coillte works in partnership with organisations and community groups across the state to help them organise a wide range of forest-based events, from walking and orienteering to mushroom hunts and outdoor theatre events. This work could be significantly expanded through Coillte exploring international tourism marketing opportunities working in conjunction with domestic and international tourist boards.

As part of Coillte's commitment to the environment it actively manages over 15% of the estate for biodiversity to promote a range of trees and other plant species as well as wildlife. The company has been widely recognised for its work in habitat restoration, in particular through its work on four EU-funded LIFE projects which have seen them restore 550 hectares of unique native woodlands and 2,500 hectares of raised and blanket bogs across Ireland protecting these unique habitats for future generations.

Coillte is currently working on Ireland's first wilderness project, to protect and secure a unique landscape in the Nephin Mountains in County Mayo.



8. The innovative approach to job creation

Innovation is not the sole preserve of high-tech industry or new media. It is simply the development of new ideas, practices and products that will enhance business growth, productivity and competitiveness.

Creativity is at the heart of Irish society and culture. The strength of creative thinking can be found in the legacy of our authors, artists, film and music-makers. It is demonstrated in the creative thinking that lay at the centre of the Peace Process, where a seemingly intractable conflict has been replaced by peace, equality and stability.

Investing in Physical Infrastructure to Sustain Innovation, Jobs and Growth

In the history of this island, economic growth has been driven by technological advances in infrastructure with the development of road, rail, sea or air transportation. In this century, the driver is information technology and the Internet. There are two billion worldwide users of the Internet and this is increasing. The Internet is a vast market place and repository for information and best practice. For a small, open, export-driven economy like ours it is an essential element of economic and business growth strategies.

McKinsey & Company in May 2011 found that the internet accounted for 21% of GDP growth for mature economies in the last five years, it created 2.6 jobs for each one job loss and internet usage delivered a 10% productivity increase to SMEs. Their research also found that SMEs which heavily use web technologies, export twice as much as others.

A range of studies have found that increasing broadband coverage by 10% delivers a 1% increase in GDP and doubling speeds increased GDP by 0.3%. Every additional 1,000 broadband users deliver 80 additional jobs.

Yet in the South, telecommunications are 10% more expensive than the Euro area average. In the most recent report, the Communications Regulator estimates that broadband household penetration rate is just over half (at 54.3%), including fixed and mobile services. The Western European average is 64.3% penetration.


Fixed broadband per capita penetration rate reached only 23.1%. The majority of these broadband connections are at low broadband speeds – only 19.6% of all broadband subscriptions were equal to or greater than 10Mbps.

In the North, Sinn Féin supported an approach that led to BT Ireland investing almost £30million to deliver fibre to cabinet broadband. This has been a partnership with the Department of Enterprise Trade and Investment under the European Regional Development Fund's European Sustainable Competitiveness Programme investing £16.5million and a further £1.5million from the Department of Agriculture and Rural Development under the European Agricultural Fund for Rural Development Rural Development Programme.

The North will benefit from one of the densest and fastest broadband networks in the world and will have more fibre deployed by that point than France, Germany and Belgium, resulting in 90% enjoying typical fixed internet speeds of 40Mbps uplink and 10Mbps downlink.

FUTURE PROOFING CONNECTIVITY

Next-generation fibre connections offer upload and download speeds in excess of existing service



providers and will at some stage in the future become the norm and the driver for software and other technological advances such as cloud computing and Internet-based broadcasting.

In terms of next generation broadband connectivity, the National Competitiveness Council found 0.5% of connections are through fibre communications. The OECD average is 12%.

Government reports indicate that the cost of broadband roll-out would be €2.5billion. We have allowed for this investment in our stimulus section of this document.

Sinn Féin proposals

- To work with providers and departments in the North to deliver a collaborative and co-operative approach to broadband provision.
- To maximise the sustainability of employment after construction is complete by developing support and marketing services.

BUILDING SKILLS FOR INNOVATION

Education is an essential element of innovation. There is a growing concern that the Fine Gael/Labour Government is focussing on high-end IT development as a future jobs provider without the comprehensive roll-out and promotion of IT skills within schools.

While there has been an increase in the number of students seeking places in science and technology courses in third-level education, the latest OECD figures demonstrate a worrying trend with Irish students performing badly in maths, science and literacy/reading as measured by the Programme for International Student Assessments.

Schools here were amongst the lowest in OECD countries in terms of hours dedicated to teaching science and over 11 % of students leave school early with little or no qualifications (National Competitiveness Council).

If we are to promote innovation, productivity and competitiveness, we need to get the foundations right.

Sinn Féin proposals

- Make science and technology core curriculum subjects.
- Commit in the future to providing free training from basic to degree level for the long-term unemployed in computer and IT skills, electronic engineering and computer programming.

RESEARCH AND DEVELOPMENT

All levels of innovation require a degree of research and development from the simple testing of ideas through to high-end, post-graduate, supported laboratory-based work.

The previous target under the Strategy for Science, Technology and Innovation of 2.5% of GNP for investment in research by 2013 will not be met. The most optimistic projections are for 1.5% of GNP invested by the end of 2014. The EU target is for 3% of GNP by 2020. And yet the Fine Gael/Labour Government continues to talk up innovation while cutting public spending to universities and increasing student fees.

Sinn Féin believe that the target of 3% of GNP should be planned for through fully accessing EU support, incentivising R&D for business and greater networking of third-level institutions across Ireland.



ACCESS TO GOVERNMENT SUPPORT

Business studies recently found that there were over 30 specific supports available to enhance and resource R&D development. Many companies are unaware of supports, which range from EU-wide programmes, Enterprise Ireland programmes and tax credits. Businesses require a guide to navigate and avail of supports for R&D. We support business calls for a single portal to provide information on these supports to be established at Government level.

ACCESS TO FINANCE TO SUPPORT R&D.

While the Fine Gael/Labour Government has recapitalised the banks and brought forward proposals on a partial loan guarantee scheme, there still exists a significant gap in the credit available to start and grow focused enterprises. The failure within the banking sector relates not only to their own capital situation but, following decades of property-based lending, banks do not fully appreciate the credit needs of SME and have even less understanding of the needs of IT start-ups. The needs of this sector reach from initial seed funding, 'angel investment', through to substantial venture capital investment.

Sinn Féin would seek to further lever funding for business start-up, angel and higher level venture capital by examining the potential to develop a state bank to share risk with existing capital funds by providing loans in exchange for equity.

EU SUPPORT FOR R&D

The EU provide support for Research and Development, mostly through the existing Seventh EU Framework Programme for Research and Technological Development (FP7), with a budget of approximately €50billion covering the period 2007 to 2013.

This programme will be succeeded by Horizon 2020, the €80billion programme for investment in research and innovation. These programmes are based on collaborative research proposals between member states. Dublin has to ensure it draws down the €600million for research in this state.

Sinn Féin proposals

- An increased target for draw-down of Horizon 2020 funds should be agreed and a plan developed.
- Increased co-operation on EU funding on an all-Ireland basis, enhancing the role of the Special EU Programmes Body, could increase greater access to EU funding.
- Increase co-operation and planning between all the third-level and research institutions to deliver national centres of research excellence.
- Increase promotion and training on intellectual property rights and patents.
- A review of taxation policy on Intellectual property rights, patents and royalty payments.
- The establishment of single portal and point of contact to promote support for R&D.
- That all advisors in Enterprise Ireland, the IDA, County Enterprise Boards and Údarás are fully aware of and promote supports for R&D.



BUILDING INNOVATION NETWORKS

At present, 98% of businesses are classified as SMEs and account for 78% of total employment. The vast majority of these employ less than 10 people and are classified as micro-enterprises.

While many of these businesses are driven by highly focused and innovative entrepreneurs, their individual small scales and isolation from each other can inhibit access to research and development, broadband infrastructure, professional marketing and Internet skills, and sectoral best practice.

Given the focus on the export of goods and services and on developing the capacity of SMEs there is a need to promote the channeling of sectors into clusters.

In his report into agri-food for the Committee on Enterprise Trade and Employment, Sinn Féin TD Arthur Morgan examined the use of the Porters Diamond Model and used it to illustrate how the clustering of agri-food enterprises could enhance productivity, increase market demand, complement related and supported industries and focus individual company strategy.

The benefits of clustering are not restricted to agri-food and the Porters Diamond Model can be developed for any sector. However, it requires a level of investment and support.

Such clustering should also include large employers and FDI companies who can demonstrate best practices and also build collaborative partnerships with local enterprises for the provision of goods and services.

Sinn Féin proposals

- The development of a focused sectoral business support system for SMEs.
- To promote the networking and mentoring of business from inception, through start-up to consolidation and growth.
- The identification of a single point of contact for each enterprise
- The development of accessible credit to business start-up and growth.
- A newly focused promotion of Intertrade Ireland to foster all-Ireland partnerships and collaborative working and marketing.



9. Doing things the co-op way

Imagine an industry that could both create jobs and fulfil gaps in public service provision. Imagine a company that puts its workers front and centre and returns profits back into the community of those workers for the benefit of them and their families. Imagine a company that continually invests in itself, rather than siphoning off profits, to ensure its development and sustainability in a changing world and labour environment. Imagine a new business that saves recently redundant workers from going on the dole, using their combined experiences and know-how in their field.

Most people could not even begin to imagine such a socially beneficial creation in these times of jobs losses, deteriorating public service provision and an industrial race to the bottom.

And yet it does exist. The social enterprise model has been in existence for centuries. Everybody is aware of charities and not-for-profit society groupings but fewer people are aware of the work of co-operatives. They may know the term but they don't know what it entails, or how it can be of use in getting us out of the economic crisis.

As the recession continues and current Government policy continues to shrink the economy and state provision, more and more people are wondering how they can make their own contribution to economic recovery, in spite of Government policy.

Some of these people will begin to explore the co-operative option and this is an option that Sinn Féin believes in strongly.

Often called 'the third sector' (not corporate and not voluntary), we believe that the co-operative model can create jobs. We believe the model can fill the gap left in public service. We believe it can help Ireland establish a new type of industry for itself, a more sustainable and recession-proof industry.

2012 is the International Year of Co-operatives. If Sinn Féin policy is implemented, we believe Ireland can become a world leader in the co-op sector.

WHAT ARE CO-OPERATIVES?

Co-operatives already exist in Ireland though not in large numbers. Credit unions are well-known co-ops but the most famous and most successful Irish co-op developments to date have been in the agriculture sector. Most of the large dairy organisations, like Dairygold, began as co-ops, though they have since become hybrid organisations (they've diluted their original co-op status). Some of these originally very successful co-ops have become large conglomerates, and profits, not to mention bureaucracy, have become more important than the original ideas and shared community ethos which led to their formation. It's not a bad thing that co-ops can go on to be so successful – but the rebirth of a co-op as a large international company should not mean that communities are deprived of the benefits that those co-ops once brought.

In this recessionary climate, it is timely indeed to look at the co-op model once more. In Argentina, a country that suffered a huge financial crisis in 2001 with devaluation of its currency and widespread unemployment, there are currently 12,670 co-operative societies with over 9.3million members (around 23% of the population). Since the Argentine crisis, over 200 failing businesses have been rescued by their workers and reopened as worker co-operatives; none of these has gone out of business and they employ over 15,000 people.



Overview of the co-operative sector

The co-operative sector: International statistics

- Over 800million people are members of co-operatives worldwide.
- 123 million member co-operatives own 160,000 co-operative enterprises and give jobs to 5.4million European citizens
- The Mondragon co-operative is perhaps the world's biggest. From its humble beginnings in 1956, the co-operative has gone on to employ 92,773 people in 256 companies and to become the seventh largest business organisation in Spain.

The Irish co-operative sector A comparative perspective


Co-operatives listed by the Irish Co-operative Organisation Society collectively have over 150,000 individual members, employ 12,000 people in Ireland (a further 24,000 abroad) and have combined turnover of €10billion. However, Ireland is the:

- 5th lowest in EU27 in terms of co-operative members
- 6th lowest in EU27 in terms of number of co-operative enterprises
- 10th lowest in EU27 in terms of co-operative employees

Co-ops as an option for struggling businesses

The growing dependence on large foreign organisations for employment has been negative for indigenous growth. These organisations have at times brought huge employment and great affluence to communities but the lack of local tradition and the lack of employee ownership has seen many of these companies pull out when it suits – and more and more have done so as the crisis deepened. In addition, many home-grown companies have been allowed to go to the wall and their workers to the dole because nobody had the imagination to step in and save the company or use the workers' expertise. If the Government and state agencies had acted quickly, the workers left behind by these industries could have been supported to form co-ops to take over where the company had left off. This was something both Waterford Crystal and SR Technics workers pleaded with the Government for at the time of their redundancies. Workers in Dell could have been assisted to band together and attain office space/capital allowances/licensing rights to develop their own initiatives based on the work they had been trained to do.

A successful example of a business that transitioned into a worker co-op in Ireland is Heron Quality Food in West Cork, a specialist bakery that is Ireland's largest supplier of gluten-free bread and which exports worldwide, as well as supplying leading retailers. One of the most innovative things about Heron was its conversion to a co-operative: the owners wanted to retire but wanted to ensure the future of the bakery and the jobs of the workforce. Out of this developed a plan where the company was split into two companies, with the assets held in one company owned and



terms of the regulation of their activities and in the incentives for choice of and support in adopting legal form.

- Facilitate the establishment of support services and the creation of networks of co-operatives, where services such as accountancy and auditing, consultancy, legal and taxation services and marketing become co-operatives or are assigned to assist co-ops. This would be done through Government agencies such as Solas, which would start by pairing up unemployed skilled workers in the relevant fields to the co-ops.
- Provide targeted training for co-operative enterprises on how to tender for government contracts. This training is not unusual. InterTrade Ireland already provides businesses across the country with training on how to access tenders.
- Encourage trade unions to establish a 'co-operative fund' that would empower workers to establish co-operatives in cases where factories, businesses or industries are threatened with closure. This funding could be matched with Government funding through enterprise boards.
- Place a co-op training element into all Community Employment schemes to teach employees how to retain the CE training knowledge and continue to use it in their communities in a self-sustaining manner after the scheme is closed.
- Ensure continual skilling up of co-op members by advising boards of co-ops to rotate, ensuring all co-op members get to experience the various skills of board membership. Make the necessary skills available in training courses run from local Solas offices.
- Oblige banks to assign a percentage of lending funds designated for business credit to the co-op sector. Traditionally, co-ops have been seen as financially unviable entities. At present in this state banks are obliged to lend a certain amount of money to SMEs as a quid pro quo for the bank bail-out and over €64billion in recapitalisation. The Government has also announced plans to guarantee a portion of SME loans.
- Make vacant IDA, Údarás and other public bodies' premises available for co-op use. Also consider assigning vacant NAMA properties, where suitable, to save co-ops rental and purchasing costs.

10. Reform and strategy in the enterprise sectors

A supportive enterprise policy is crucial to delivering jobs and economic growth.

The key determinants of enterprise success will be meeting the needs of existing and emerging international demand, and developing the competencies and competitive advantages of businesses and entrepreneurs.

This section of our document deals with the strategic positioning necessary to achieve all of this in the future.

The agency Forfás has been to the fore in developing strategic policy in this area and we believe it has the research and analytical capacity to continue to identify the state's future industries and sustainable jobs development. Here we set out our vision for reforming the existing enterprise sector.



Reform – Sinn Féin proposals


- The National Spatial Strategy will be revised to deal with the new economic reality and will be 32-county based to harness the potential of the all-island economy.
- The National Spatial Strategy will ensure regional balance of FDI.
- Sinn Féin will amalgamate Enterprise Ireland, the IDA, the County Enterprise Boards and the Partnerships around the state into a new organisation called All-Ireland Enterprise.
- In co-operation with our counterparts in the Assembly, Sinn Féin will seek to amalgamate Invest NI and InterTradeIreland into All-Ireland Enterprise.
- The objectives of All-Ireland Enterprise will be the attraction of FDI, the development of large and small indigenous enterprise, and the amelioration of the negative economic effects of the Border.
- Due to the specialist and separate regional objectives, Údarás na Gaeltachta, Western Development Commission and Shannon Development will be maintained and strengthened.
- Due to the specialist and separate sector objectives, Science Foundation Ireland and Bord Bia will be maintained and strengthened.

General Enterprise Policy – Sinn Féin proposals

- The Irish jobs market is segmented in 10 sectors. Strategically, the state will prioritise sectors in which this state possesses a competitive advantage, that is where there is existing growth and demand internationally, and where future potential exists.
- However, jobs plans will also be developed for other sectors which are underperforming or which are depressed due to the current cycle of the economy.
- Regional jobs plans will also be developed to tackle major geographical disparities with regards to unemployment and also to develop the competitive advantages of the specific region.
- Údarás na Gaeltachta, Shannon Development, the Western Development Commission, Bord Bia, Science Foundation Ireland, the Craft Council and a potential new Bord Fuinneamh (Energy Board) will give special consideration to the above
- For every euro spent on enterprise development, Sinn Féin will increase the ratio in favour of developing indigenous enterprise. Indigenous enterprise is, in the long-term, more sustainable.
- FDI will continue to be supported but in the future will be fostered on the basis of the infrastructure and skills we can provide, as opposed to large (often unconditional) grant aid.
- Manufacturing will be a key target for jobs creation. Each manufacturing job creates 2.5 other jobs, whereas each service job creates 0.7 jobs.

Microenterprise development function – Sinn Féin proposals

- To provide for more efficient delivery of microenterprise development services, the management and administration of each County Enterprise Board (CEB) will be subsumed into All-Ireland Enterprise. The costs currently associated with the running of



35 separate CEBs (including the filing of separate annual accounts) will be reduced but the culture of local knowledge and direction will be maintained.

- Each of the Partnership organisations that deliver rural, social and enterprise programmes and development supports will be subsumed into All-Ireland Enterprise.
- Sinn Féin will develop Enterprise Incubation Centres in each of the largest provincial towns or cities in each county with an objective of providing education, training, mentoring and funding.
- A new export programme for microenterprise businesses will be launched. On an annual basis, Operation Díol Nua (new sales) will select microenterprises which have a capacity and a market opportunity to export. These businesses will be analysed. Their target market will be warmed. Potential customers in the export market will be contacted and trade meetings will be organised. If necessary, these businesses will be handheld through their initial trade meeting.
- A rapid response unit will be developed within each local Enterprise Incubation Centre. The purpose of the unit is to go into a local business which is on the verge of closure on invitation and provide in-depth analysis on how to turn the business around. The aim of this unit is to provide assistance to a business before jobs are shed. The unit will work closely with the Job Retention Fund as proposed in our stimulus package.

SME enterprise development – Sinn Féin proposals

- As already stated, All-Ireland Enterprise will also subsume the role of Enterprise Ireland. Dedicated staff in the local Enterprise Incubation Centre will have responsibility for SME development issues in the county.
- They will be tasked with developing small enterprises. They will procure and provide training, mentoring and match funding options to their needs.
- Empowering this development on a county basis rather than a current regional basis will ensure better and more even delivery of SME development across the country.
- It will allow for the seamless transition of a business from microbusiness to an SME.

Foreign Direct Investment– Sinn Féin proposals

- Much of the IDA office infrastructure is currently based in a singular location in each region. This results in an uneven delivery of FDI between the regions and within each region. Louth, with an office based in Dundalk, for example, received 79 IDA client site visits from 2009 to 2011; Meath, without an office, only received 4 visits of the same scale. A new National Spatial Plan will orientate resource priority within the regions.
- Each local Enterprise Incubation Centre will become a conduit for the new FDI function of All-Ireland Enterprise. They will help clients manage local FDI operations and they will facilitate local promotions such as site visits.
- International offices will be merged with former Enterprise Ireland, InvestNI and Irish embassy/consular offices to ensure more global coverage and impact for each euro spent.



Training and mentoring – Sinn Féin proposals

- Each Enterprise Incubation Centre will also provide for 3rd level out-reach research and tuition, with each county being linked to a relevant third-level institution.
- The development and quality control of the enterprise training and mentoring curriculum will be improved by central development and oversight.
- All externally-procured trainers and mentors must be qualified in the subjects they deliver.
- Harmonisation of standards will be developed with SOLAS and the VEC networks. Procurement will be centralised.
- ‘Entrepreneurial Studies’ will be a central part of the education system. It will be an optional Leaving Certificate subject whereby participants engage in practical enterprise project work in partnership with local enterprise. Enterprise should also be an incentivised subject option for all apprentices and third-level students.

Embassies – Sinn Féin proposals

- Each embassy will develop, in conjunction with All-Ireland Enterprise, an export and FDI development plan.
- This plan will include clear objectives and targets. Annual reviews of embassy staff will include target attainment measurements.
- Each embassy will facilitate annual trade visits by Irish indigenous businesses

Funding – Sinn Féin proposals

- Many CEBs spend their complete funding allocation by the first or second quarter of the year. In future, funding will be delivered to the Enterprise Incubation Centres on a quarterly basis but remain committed on an annual basis to ensure there is funding in place at all times of the year.
- Costly duplication within domestic administration and service delivery will be reduced.
- Economies of scales and cost savings will be achieved in foreign market sites.
- Funding will be provided to business through the traditional means of grant funding. More funding will be made available to business start-ups with the use of loans and equity investments. Over a period of five years the proportion of equity investments and loans will increase in relation to grant funding.



11. Sinn Féin in government – delivering jobs

Over the last number of years, Sinn Féin made job creation a key priority in government in the Six Counties. This policy focus can be seen in the joint Programme for Government which highlights the actions the Assembly is taking and will continue to take to deliver the number one priority – a vibrant economy which can transform society while dealing with the deprivation and poverty which has affected some Northern communities for generations.

Sinn Féin has been the strongest proponent of growth in the Six Counties, despite the financial constraints faced by the area as a result of a diminishing block grant. We have argued for fiscal decision-making powers to be fully devolved from Westminster so that elected representatives in the North are not impeded in deciding how best resources can be raised and used. Despite the continued cuts by Britain, we are committed to mitigating the worst impacts of these imposed cuts to ensure that the most vulnerable and disadvantaged in our society are protected and that the creation of jobs and strengthening of the economy is achieved.

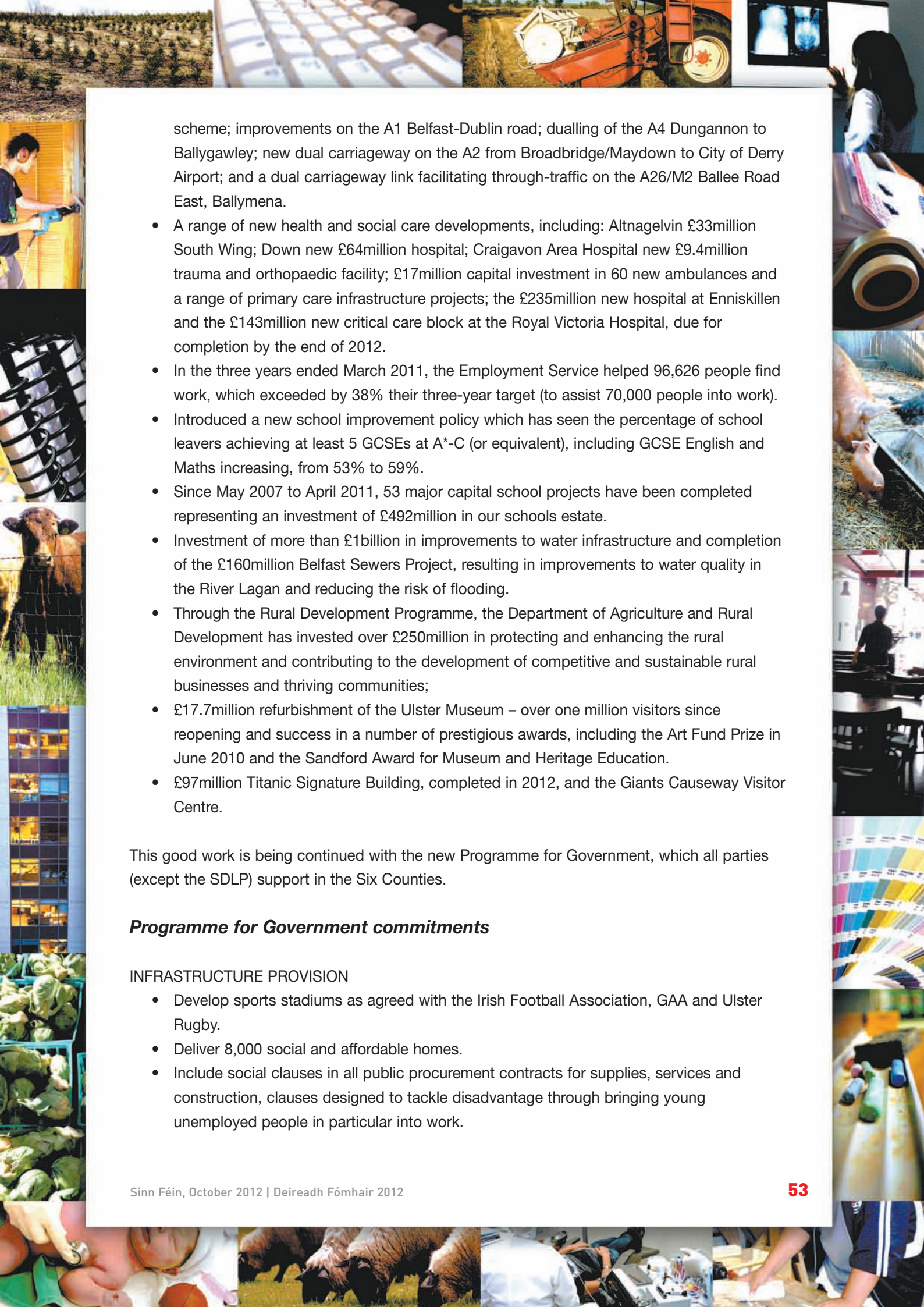
We are also committed to addressing regional imbalance.

Equality is an important issue for the Executive. Sinn Féin has promoted policies and programmes designed in ways that ensure we can address inequality and unfairness and create conditions that support inclusion and equality of opportunity.

During the term of the previous Executive, a range of important initiatives was delivered which have benefited the economy and people in the Six Counties and are continuing to do so. These included significant foreign and local investment in jobs; the delivery of major infrastructure projects, including roads, water, hospitals, housing, schools and public transport; the physical regeneration of cities and towns; the development of urban and rural communities and the roll-out of broadband networks.

Specific examples include:-

- The delivery of gross capital investment of £1.4billion in 2007/08, £1.7billion in 2008/09, and £1.7billion in 2009/10 through our Investment Strategy (ISNI) – this compares to just £1billion in 2003/04.
- InvestNI secured almost £2.6billion in investment commitments and £487million in annual salaries; promoted 15,565 new jobs; safeguarded 5,329 existing jobs; and supported 8,267 new local business starts between 2007/08 and 2009/10;
- Over £140million spent on the continued regeneration of our most disadvantaged areas through the Neighbourhood Renewal Programme over the last seven years to improve economic, social and physical conditions;
- £77.5million spent in 2008-11 on urban regeneration projects which include the transformation of the City Centre of Derry, the new Peace Bridge over the Foyle, the Belfast Streets Ahead project (implemented to transform Belfast City Centre) and major public realm improvements.
- In 2010/11, 50% of all planning applications were decided within 11 weeks, and 89% of all applications decided were approved.
- Improved journey times and safety on Key Transport Corridors due to completion of a number of major road schemes, including the M1/Westlink project; the M2 improvement



scheme; improvements on the A1 Belfast-Dublin road; dualling of the A4 Dungannon to Ballygawley; new dual carriageway on the A2 from Broadbridge/Maydown to City of Derry Airport; and a dual carriageway link facilitating through-traffic on the A26/M2 Ballee Road East, Ballymena.

- A range of new health and social care developments, including: Altnagelvin £33million South Wing; Down new £64million hospital; Craigavon Area Hospital new £9.4million trauma and orthopaedic facility; £17million capital investment in 60 new ambulances and a range of primary care infrastructure projects; the £235million new hospital at Enniskillen and the £143million new critical care block at the Royal Victoria Hospital, due for completion by the end of 2012.
- In the three years ended March 2011, the Employment Service helped 96,626 people find work, which exceeded by 38% their three-year target (to assist 70,000 people into work).
- Introduced a new school improvement policy which has seen the percentage of school leavers achieving at least 5 GCSEs at A*-C (or equivalent), including GCSE English and Maths increasing, from 53% to 59%.
- Since May 2007 to April 2011, 53 major capital school projects have been completed representing an investment of £492million in our schools estate.
- Investment of more than £1billion in improvements to water infrastructure and completion of the £160million Belfast Sewers Project, resulting in improvements to water quality in the River Lagan and reducing the risk of flooding.
- Through the Rural Development Programme, the Department of Agriculture and Rural Development has invested over £250million in protecting and enhancing the rural environment and contributing to the development of competitive and sustainable rural businesses and thriving communities;
- £17.7million refurbishment of the Ulster Museum – over one million visitors since reopening and success in a number of prestigious awards, including the Art Fund Prize in June 2010 and the Sandford Award for Museum and Heritage Education.
- £97million Titanic Signature Building, completed in 2012, and the Giants Causeway Visitor Centre.

This good work is being continued with the new Programme for Government, which all parties (except the SDLP) support in the Six Counties.

Programme for Government commitments

INFRASTRUCTURE PROVISION

- Develop sports stadiums as agreed with the Irish Football Association, GAA and Ulster Rugby.
- Deliver 8,000 social and affordable homes.
- Include social clauses in all public procurement contracts for supplies, services and construction, clauses designed to tackle disadvantage through bringing young unemployed people in particular into work.

- Improve thermal efficiency of Housing Executive stock and ensure full double glazing in its properties.
- Deliver at least 30 schemes to improve landscapes in public areas to promote private sector investment in towns and cities.
- Provide £40million to address dereliction and promote investment in the physical regeneration of deprived areas through the Social Investment Fund.
- Publish and implement a Childcare Strategy with key actions to provide integrated and affordable childcare.
- Upgrade the Coleraine to Derry railway line.
- Progress the upgrade of key road projects and improve the overall road network to ensure that, by March 2015, journey times on key transport corridors reduce by 2.5%.
- Invest over £500million to promote sustainable modes of travel.
- Significantly progress work on the plan for the Lisanelly (Omagh) Shared Education Campus as a key regeneration project.

TOURISM

- Increase visitor numbers to 4.2million and tourist revenue to £676million by 2014.
- Eliminate Air Passenger Duty on direct long-haul flights.
- Develop the 'One Plan' for the regeneration of Derry, incorporating the key sites at Fort George and Ebrington.
- Provide financial and other support across Government to ensure the success of the 'Our Time, Our Place' initiative in 2012, including marking the centenary of Titanic's maiden voyage.

FDI

- Achieve £1billion of investment in the economy which includes £375million of Foreign Direct Investment; £400million from indigenous businesses supported by Invest NI and £225million injection in to the Jobs Fund.

ENTERPRISE AND INVESTMENT

- Press for the devolution of Corporation Tax and reduce its level.
- Increase the value of manufacturing exports by 20%.
- Support £300million investment by businesses in R&D, with at least 20% coming from SMEs.
- Aid liquidity of SMEs through a £50million loan fund.
- Facilitate delivery of the Executive's 20% target for increased drawdown of competitive EU funds.
- Develop and implement a strategy to reduce economic inactivity through skills, training, incentives and job creation.
- Ensure 90% of large-scale investment planning decisions are made within six months and applications with job creation potential are given additional weight.
- Support 200 projects through the Creative Industries Innovation Fund.

- Extend the Small Business Rate Relief Scheme to 2015.
- Hold the Regional Rate increases to the rate of inflation.
- Invest in social enterprise growth (co-ops) to increase sustainability in the broad community sector.
- Increase uptake in economically relevant Science, Technology, Engineering and Mathematics (STEM) places.
- Develop a strategic plan for the agri-food sector.

TACKLING UNEMPLOYMENT FIGURES AND SOCIAL ISSUES

- Contribute to rising levels of employment by supporting the promotion of over 25,000 new jobs.
- Invest £40million to improve pathways to employment, tackle systemic issues linked to deprivation and increase community services through the Social Investment Fund.
- Upskill the working age population by delivering over 200,000 qualifications.
- Support people (with an emphasis on young people) into employment by providing skills and training.

Appendix

Illustrative economic analysis of our proposals

The models used to measure the economic impact of stimulus are many and varied. What follows is an illustrative analysis of the effects of a €12.9billion stimulus on the economy, using two models as footnoted.

Measuring our investment proposals

1. We proposes a temporary €12.9billion investment programme over four years. The following shows it measured using capital investment multipliers and the impact in terms of GDP, deficit and employment.

2. Impact on GDP

There are two capital investment measurements that will be used: NERI¹ and Benetrix-Lane².

NERI and Benetrix-Lane Multipliers: Impact of Capital Investment

	2013	2014	2015	2016	2017	2018
NERI	1.64	0.29	0.27	0.24	0.24	0.24
Benetrix-Lane	1.24	1.61	0.51	0.43	0.16	.06

As shown, NERI finds a higher impact in the first year, falling off substantially by the second and third year. Benetrix-Lane maintains high impact in the second and third year but falls away completely by the 2018. There are two things to note:-

- Benetrix-Lane does not include the supply-side impact (the impact on the economy when the investment asset is used). Therefore, in the long-term, its multipliers are under-stated.
- NERI multipliers show a relatively strong long-term multiplier. For every €1billion invested, the economy continues to benefit by €240million after the first two years (by 2030, NERI still finds a multiplier of 0.26, or €260million). This shows the long-term impact on the productive capacity of the economy.

1 An Examination of the Effects of an Investment Stimulus, Rory O'Farrell, NERI July 2012:

http://www.neriinstitute.net/download/pdf/neri_working_paper_rof_no_4.pdf

2 The Impact of Fiscal Shocks on the Irish Economy, Augustin S. Benetrix and Philip R. Lane, The Economic and Social Review, Vol. 40, No. 4, Winter, 2009: http://www.esr.ie/Vol40_4/Benetrix.pdf

The following measures the our programme based on a carry-forward impact. While a four-year investment programme would assume an investment of €3.225billion in each year, it is likely that the first year investment would not come on stream fully in the first 12 months. Therefore, there will be a carry forward in each of the years up to 2017. The following measures the impact of the €12.9billion investment spread out in the following manner:

2013	2014	2015	2016	2017	Total
2,500	3,400	3,400	2,500	1,100	12,900

Using the investment schedule, this is the impact on GDP up to 2017.

Impact on GDP: (€ million)					
	2013	2014	2015	2016	2017
NERI	168,277	177,340	185,866	193,255	200,020
Benetrix-Lane	167,277	179,280	189,594	198,034	204,142
Government ³	164,200	171,150	178,850	186,900	195,400

As seen, GDP is substantially increased by 2017 – by between €4.6billion and €8.7billion. According to the NERI analysis, the long-term impact on GDP (e.g. after 10 years) would be approximately €3billion.

NOTES on GDP measurements

- The above includes the Government's fiscal consolidation schedule – which is highly deflationary. Substituting growth-friendly fiscal consolidation measures (i.e. tax increases on high-income groups, capital, property and unproductive activities) would boost GDP even further. This would allow the investment programme and fiscal consolidation to work with, and not against, each other.
- Some of the benefit may, in the short-term, be reduced to the extent that parts of the capital investment programme (e.g. retro-fitting) are paid by households, through long-term repayments of the retro-fit. However, this would be set off against reduced fossil-fuel imports while in the long-term reduced energy expenditure will be redirected into non-energy consumption, producing a net economic and social gain.

3. Measuring impact on deficit

The following measures the impact on the deficit, using the government revenue/GDP ratio. The multiplier is approximately 0.36 at current tax levels (for every €1billion in GDP growth, tax revenue increases by €360million). This does not include the reduction in public expenditure through lower employment costs arising from the investment programme. The Department of Finance's Debt Sensitivity Analysis assumes a multiplier of approximately 0.5 (for every €1,000million GDP growth, the deficit is cut by €500million). It is higher because it measures the reduction in unemployment costs, etc. However, the revenue/GDP ratio will be used – so that any risks to the estimates are on the upside.

Under the more conservative Government revenue measurement, the deficit falls significantly compared to Government projections.

³ Government projections come from the Department of Finance's Stability Programme Update, supplemented by IMF projections for 2016 and 2017.

Impact on Deficit: Government Revenue/GDP ratio

	2013	2014	2015	2016	2017
NERI	-6.4%	-3.2%	-1.1%	-0.7%	-0.5%
Benetrix-Lane	-6.7%	-2.8%	-0.3%	0.3%	0.3%
Government <i>Projection</i>	-7.5%	-4.8%	-2.8%	-2.2%	-1.7%

The Maastricht target of -3% is easily reached by 2015, with further reductions in the subsequent years.

Note on deficit measurements

- a) The impact on deficits above includes the Government's fiscal consolidation schedule. Were more progressive fiscal measures substituted, there would be further falls in the deficit.

4. Impact on employment

The impact of investment on employment comprises two aspects: the employment arising from the construction phase of the investment projection and, secondly, the long-term impact on employment arising from the increased productivity. The Benetrix-Lane multipliers do not provide employment projections. Therefore, we will use the ESRI⁴ and NERI multipliers.

The two models show considerable variations in employment projections:

Impact of €1 billion Investment on Employment (thousands)

	2013	2014	2015	2016	2017
NERI	16,998	2,985	2,428	1,884	1,791
ESRI	8,400	8,400	6,300	4,200	4,200

NERI has a high first-year impact but fall significantly in subsequent years. The ESRI has a lower first-year estimate but a higher medium-term projection. Using these two measurements we find the impact on additional employment generation (in addition to the Government's own employment forecast) as follows . . .

Impact on Employment: Increase over Government Projections (thousands)

	2013	2014	2015	2016	2017
NERI	42.5	61.5	65.9	54.1	32.0
ESRI	20.0	47.2	69.4	77.6	72.8

4 The Behaviour of the Irish Economy: Insights from the HERMES macro-economic model, Adele Bergin, Thomas Conefrey, John FitzGerald and Ide Kearney, ESRI, April 2010:
<http://www.esri.ie/UserFiles/publications/20090403095300/WP287.pdf>



Note on Employment Measurements

- a) The above figures for the ESRI are an under-estimate, as the Hermes model used by the Institute does not factor in the supply-side benefit. Therefore, ESRI numbers would be higher – adding to the wide discrepancy between the two measurements.
- b) In the main part of this document Sinn Féin sets out the number of 156,000 for creation of jobs – this is based on the ESRI's 8,000 short-term jobs and 4,000 long-term jobs for every €1billion invested.

5. Conclusion

Our programme, if implemented in full, has the capacity to make a significant impact in terms of GDP growth, deficit reduction and employment. It should be noted that the above is not intended to be predictive but rather indicative. What it seeks to discover is whether our investment programme would put upward pressure on GDP growth, downward pressure on the deficit and boost employment generation. On all three criteria it succeeds. In this respect, while there may be debates over the precise measurements, we believe that our investment programme is superior to the Government's current strategy.

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