

# SGI

Sustainable  
Governance  
Indicators

## 2015 Ireland Report

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## Executive Summary

In December 2013, Ireland exited the bailout program entered into with the European Central Bank (ECB)-European Commission (EC)-International Monetary Fund (IMF) Troika at the end of 2011. The success in implementing this agreement was widely hailed internationally. Throughout the previous year, the financial markets had shown increasing confidence in the country's prospects, and borrowing costs had fallen from the crisis levels of 2011 to more sustainable levels by year's end. The government obtained some further easing of the financial burden of the bailout loans by securing agreement from its EU partners that some of this debt could be refinanced at significantly lower interest rates than contained in the original agreement. The country's two key banks passed the ECB's stress tests in October 2014. Unexpectedly strong economic indicators during 2014 allowed the minister for finance to introduce a balanced budget for 2015 and to assert that the era of fiscal austerity that started in 2008 was over. The minister for public expenditure and reform even raised the possibility of restoring some of the reductions in public-sector pay that were imposed during the crisis.

Since taking office in 2011, the present coalition government has implemented some important elements of its public-service reform program. The number of public servants has been significantly reduced, and productivity within the public service increased. Both the national- and local-government administrations have been streamlined, although the government suffered a serious setback in the rejection by referendum of its proposal to abolish the Seanad or upper parliamentary house and move to a unicameral legislature.

During 2014, an unpopular local-property tax was successfully implemented, but serious issues regarding the implementation of even-more-unpopular charges for domestic-water use remain to be resolved, and have provoked public protest on a scale not seen since the 1980s.

The constitutional convention launched in 2012 completed its work in 2014, and there is agreement that it accomplished more than skeptics had anticipated. However, although the government is committed to holding a series of referendums on its proposals, it remains to be seen how many of them will actually be passed as law.

The government parties continue to suffer declines in their popular support, as reflected in the parties' poor results in European, local and by-elections in 2014. Meanwhile, independent candidates continue to gain. It remains to be seen how effectively or constructively these comparative outsiders will contribute to improving the government's performance.

In response to electoral setbacks and declining popularity, a major cabinet reshuffle was announced in 2014. The junior party in government, the Labour Party, selected a new leader who became *tánaiste* (prime minister).

The image of the Irish justice and policing system was tarnished during 2014 by a series of controversies that eventually led to the resignation or dismissal of the minister for justice, the police commissioner, and the secretary general of the Ministry of Justice. It is proving difficult to fill the secretary general's post, which may be taken as a measure of the magnitude of the organizational problems that exist in this area.

The reforming image of Fine Gael, the senior government party, and its commitment to breaking the traditional cronyism of Irish politics, were undermined by the (unsuccessful) attempt to secure the Seanad election of a party supporter who was hurriedly appointed to the board of a national museum. However, this may have the beneficial result of leading to changes in the way such appointments will be made in the future.

Finally, difficulties in the effective delivery of (public) health services have continued. Cost overruns in this area continue to threaten overall budgetary sustainability, and confusion reigns regarding the feasibility of promises to introduce a system of universal health insurance and a free general-practice service for children.

## Key Challenges

Ireland's economic fortunes and prospects improved dramatically over the course of 2014. Moving into 2015, the key economic question is the sustainability of recent economic gains. This will depend in part on whether the commitment to sustainable fiscal policies put in place in the aftermath of the crisis is maintained, as well as on whether the external environment remains favorable. As a small open economy, Ireland is very vulnerable to external shocks that could quickly reverse the incipient recovery. As a peripheral member of the euro zone, it would also be vulnerable to any

renewed loss of confidence in the sustainability of the monetary union.

Although declining, the still-high level of unemployment (especially among young people) remains a major challenge for policymakers. Chronic long-term unemployment and the associated social deprivation call for innovative policy initiatives that have thus far been lacking.

The regional pattern of the recovery has been unequal, and the disparities in living standards between the greater Dublin area and the poorer regions of the north and west appear to be widening. A lack of public investment in infrastructure has contributed to the economic plight of some regions.

Despite the improvement in the country's financial situation, and the progress toward a banking union in the euro zone, Ireland's banks are still in "zombie" mode, and lending to enterprises continues to fall. A robust recovery will require a resolution of the overhang of private-sector debt, including the ongoing burden for households of mortgages taken out during the housing bubble.

The bursting of the housing bubble brought new housing construction to a virtual standstill over the past five years, but continued population growth and renewed employment growth (especially in the greater Dublin region) have now led to a serious housing shortage. House prices and rents have begun to spiral upward again, and the problem of homelessness is growing in the main urban areas. Effective measures to increase the housing supply in these areas are urgently required, but difficult to design and implement in the short run.

The planned introduction of domestic-water metering and charges sparked a controversy that gained momentum through 2014. Resolving this issue without back-tracking on binding EU commitments is proving very difficult, but will have to be accomplished promptly.

The prospect of a general election being held before mid-2016 is a destabilizing factor that will loom ever larger through 2015. Given the results of recent opinion polls, it appears that it will be difficult for any combination of the three parties that have shared power over most of the last 80 years – Fine Gael, the Labour Party and Fianna Fáil – to form a government after the next election. The December 2014 MRBI poll showed Sinn Féin to be marginally ahead of both Fine Gael and Fianna Fáil, while the Labour Party had dropped to just 6%. This is increasing the pressure to relax the fiscal discipline that was put painfully in place after the crisis, and to resort instead to populist measures for electoral gain. These pressures are being intensified

by the surge in support for independent candidates and for Sinn Féin. This latter party has never served as a part of a government coalition in the Republic of Ireland, and its radical rhetoric generates apprehension in many circles. Despite the opportunity that appears to have opened, there are few signs of realignment among the existing parties or of the emergence of a new party from among the independents.

# Policy Performance

## I. Economic Policies

### Economy

Economic  
Policy  
Score: 7

On 15 December 2013, Ireland exited the bailout program based on its November 2010 agreement with the EU-ECB-IMF Troika. This was widely hailed as a major achievement that restored a degree of autonomy to national economic policymakers.

Furthermore, the country's economic-performance indicators turned increasingly positive over the course of 2014. When the minister for finance presented his 2015 budget on 16 October 2014 he was able to claim that considerable progress had been made in restoring the economy to a sustainable growth path, and that the era of (fiscal) austerity was over. Although the debt/GDP ratio remains very high, a primary surplus (that is, excluding interest payments) will be recorded for 2014, and the overall debt burden is expected to decline.

In the course of 2014, international financial markets rapidly revised their view of the Irish economy. Yields on long-term government debt, which peaked at over 12% in mid-2011, fell below 2% toward the end of 2014. Ireland was held up as an exemplar of the successful implementation of an austerity program. Budgetary discipline had reduced the fiscal deficit and restored investor confidence, while wage cuts and labor-market flexibility had improved international competitiveness. Buoyant demand for Irish exports within the United States and United Kingdom contributed to a growing current-account surplus.

The government has consistently fostered a favorable environment for inward investment, particularly through low corporate taxes. A high level of inward investment by multinationals and strong export performance by these firms were important factors in the Irish recovery. However, the role of preferential tax deals with some major foreign investors (notably Apple) attracted increasingly adverse comment among the country's EU partners during 2014, culminating in the EU Commission's announcement that it would investigate the tax deals as being possibly

illegal state aid to the company from the Irish government, a procedure provided for in the EU treaties. Some of the offending provisions of Ireland's corporate-tax regime were amended in the 2015 budget, but the government has reiterated its commitment to maintaining a low corporate-profit tax rate.

Citation:

The review of Ireland's Stability Program published in April 2014 is available here:

<http://www.finance.gov.ie/news-centre/press-releases/departement-finance-publishes-ireland%E2%80%99s-stability-programme-%E2%80%93-april-2014>

In this document 2.1% growth in GDP was forecast for 2014.

In The 2015 budget, published six months later, this forecast had been revised up to 4.7%.

The latest review of Ireland's economic prospects issued by the Department of Finance is available here:

<http://www.finance.gov.ie/sites/default/files/Presentation%20to%20FINPER%20Committee%207%20October%202014.pdf>

## Labor Markets

Labor Market  
Policy  
Score: 5

In the aftermath of the 2008 crisis, Ireland's unemployment rate soared from just over 4% to more than 14%, stabilizing in this region during the 2009 – 2013 period largely due to a resumption of emigration and withdrawals from the labor force.

However, in the second half of 2013 and throughout 2014, the labor-market situation improved steadily, and by the last quarter of that year the unemployment rate had fallen to 11%. Growth in employment has resumed, and the emigration rate is falling.

The bailout program established in agreement with the Troika placed considerable emphasis on structural labor-market reforms and activation measures such as reductions in the minimum wage, reforms within the unemployment-benefit system to increase incentives to move from unemployment to employment, reductions in poverty-welfare traps, and increased provision of training and education opportunities. There is evidence to suggest that these measures have been somewhat effective, but the continuing high level of long-term and youth unemployment points to the limited effectiveness of labor-market policies even as the economy improves.

Citation:

A recent study shows that Irish training programs for the unemployed have been moderately effective.

"The Impact of Training Programme Type and Duration on the Employment Chances of the Unemployed in Ireland" by Seamus McGuinness, Philip J. O'Connell, Elish Kelly, *Economic and Social Review*, Vol. 45, No. 3 (Autumn 2014).

## Taxes

Tax Policy  
Score: 7

About two-thirds of the fiscal improvement since the crisis of 2009 was attributable to cuts in expenditure and reductions in services, while one-third was due to increased

taxation. The goal of fiscal consolidation has had to be given a high priority in formulating tax policy over the years.

The burden of direct taxation has been increased since country's financial collapse, with high-income groups paying a proportionately greater share than lower-income groups.

In compliance with the 2011 Troika agreement, a new local-property tax was introduced in 2012, and was successfully launched despite strong and broad-based opposition.

The rapid improvement in the economic situation and the general optimism prevailing as 2014 drew to a close allowed the minister for finance to claim that the 2015 budget (passed by the Dáil on 14 October 2014) marked the end of the era of fiscal austerity. Apart from an increase in the excise tax on tobacco products, this budget contained no tax increases, and even introduced a small reduction in the high marginal income-tax rates facing many taxpayers. Despite this relatively mild budget, the fiscal deficit for 2015 was projected to fall to 2.7% of GDP in 2015, below the target set in Ireland's stability program.

Ireland's income-tax system is steeply progressive, and the measures introduced in the 2015 budget even accentuated this somewhat. After the budget's changes are implemented, it is estimated that the top 1% of income earners will pay 21% of all income tax, while the bottom 76% of income earners will pay only 20% of the total.

The openness of the economy and relative ease of cross-border shopping and smuggling dictate that the main indirect-taxation rates be aligned fairly closely with those in the United Kingdom.

The indirect-tax system is less progressive than the income-tax system, and appears to weigh relatively heavily on those in the lowest deciles of the income distribution. This is due in part to heavy excise taxes on alcohol and tobacco products, as well as to the higher savings rates in the higher income groups.

As previously noted, Ireland has long relied on a low corporate-tax rate as an instrument to attract foreign direct investment (FDI). This policy has been highly successful and is supported across the political spectrum. However, it has attracted an increasing volume of hostile comment from other areas, which assert that some features of the Irish corporate-tax regime constitute "unfair" competition, and have encouraged tax-base erosion and profit-shifting within their own countries. In response to criticism of this nature, the 2015 budget contained measures closing the so-called double Irish loophole that allowed some of the world's largest corporations to reduce their global tax liability by attributing huge profits to companies registered – but not liable for tax – in Ireland.



Citation:

On the progressiveness of the Irish income tax system see

Donal De Buitléir,

<http://www.publicpolicy.ie/wp-content/uploads/Budget-2013-Progressivity-of-Irish-Income-Tax-System1.pdf>

On the issue of the incidence of the overall tax burden (direct and indirect) on households see

Michael Collins

<http://www.nerinstitute.net/research/total-tax-estimates-for-ireland/>

For a review of how the burden of the adjustment during the period of ‘austerity’ was distributed by income class see

John FitzGerald,

<https://www.esri.ie/UserFiles/publications/RN20140204.pdf>

## Budgets

Budgetary  
Policy  
Score: 6

Ireland’s fiscal situation in late 2014 is vastly improved compared with what it was at the close of the previous SGI review period. Progress toward correcting the budget imbalances has been more rapid than anticipated, and it now seems likely that the target of reducing the deficit below 3% of GDP in 2015 will be reached. A primary surplus (excluding interest payments on the national debt) is projected for 2014.

The most recent data show that the national-debt-to-GDP ratio peaked at 120% in 2013, and this figure is projected to fall to 95% by 2018. Moreover, this projection does not take into account the gain that is expected to be realized through the sale of the government’s stake in the banks taken into state ownership during the crisis. The fiscal situation is now considered to be sustainable given forecasted interest-rate and nominal GDP-growth levels.

It was widely believed that the fiscal correction implemented following the crisis and the policies imposed by the Troika agreement were strongly “pro-cyclical.” This led to pessimism regarding Ireland’s prospects for emerging from recession over the medium term. Recent developments have confounded economic pessimists, and while it is still too early for a definitive judgment to be formed, it is likely that country’s economic and fiscal adjustment will be regarded as a success, and even as an example of “expansionary austerity.” This outcome is all the more impressive given that Ireland is constrained by membership in an ill-designed currency union and still shackled with most of the financial burden left by a massive banking-system collapse.

Nonetheless, a note of caution must be sounded. The macroeconomic forecasts on which the 2015 budgetary arithmetic were based were radically more optimistic than those published just six months earlier (see the documents cited in “economic policy.”) In formulating its 2015 budget, the government may have erred by treating a temporary upsurge in the economy as evidence of a more permanent recovery. By slightly reducing taxes and curtailing expenditure reductions to a minimum, the minister for finance ignored the advice of the Fiscal Advisory Council and the European Union, both of which favored devoting more of the fruits of economic

buoyancy to reducing the burden of the national debt. Critics fear that the recent budget was framed with an eye to the next general election, which will be held before mid-2016, rather than as a path to long-term fiscal sustainability.

### Research and Innovation

R&I Policy  
Score: 6

Support for research, development and innovation (RDI) continues to figure prominently in the rhetoric of Ireland's educational and industrial policies. The state industrial promotion agencies exploit the fact that state aid to industry is compatible with EU policy, provided that it fosters RDI.

While policy is supportive of research and innovation in indigenous firms, the most striking success of Irish industrial policy has been in attracting foreign-owned firms in high-tech sectors to Ireland. This trend has continued during the economic crisis and is contributing to the country's current accelerating growth. The location of these activities in Ireland has created opportunities for innovative small Irish firms to develop technologies to supply inputs to the new foreign-owned firms.

The adequacy of the throughput of graduates with the skills sought by new firms in biotechnology and IT remains an issue. Many of the new high-tech firms located in Ireland have to recruit employees from abroad to meet their skill needs.

Ireland's overall information and communication technology (ICT) readiness continues to lag behind most other northern and western European countries and Israel. However, the World Economic Forum's Competitiveness Report for 2014 ranked Ireland 12th worldwide in terms of "technological readiness," a rise from 17th place in 2012.

After scrapping the so-called double Irish tax facility in the 2015 budget, the government is planning the introduction of a new "knowledge box" scheme, entailing a preferential (6.25%) tax rate for profits deriving from patents managed from and located in Ireland. This too may prove controversial with Ireland's European partners.

### Global Financial System

Stabilizing  
Global  
Financial  
Markets  
Score: 6

Ireland's situation as a member of the euro zone and of the European banking system needs to be taken into account. This has involved substantial surrender of national sovereignty and autonomy in financial policy to European institutions, principally the European Central Bank (ECB).

Ireland has received only marginal relief on the debt burden incurred by the Irish state to avert a European-wide banking crisis in 2008. During 2014, more evidence emerged that pressure was brought to bear by the EU Commission and the ECB on

the Irish authorities to avoid “bailing in” bondholders of the failed Irish banks. The motivation for this was to avert impairment of the balance sheets of German and French banks, which were significant investors in these Irish banks.

It is possible that the ECB exceeded its authority in pressuring one country to bear the cost of shielding banks in other euro zone countries from the consequences of their imprudent investment decisions.

In September 2014, euro zone finance ministers agreed to allow Ireland to refinance its debt based on its dramatically improved credit rating, enabling it to use funds raised on the international bond market at interest rates near 2% to retire IMF debt carrying interest rates of close to 5%.

In May 2014, the Oireachtas (the Irish parliament) established a committee of inquiry into the events leading up to and following on the banking crisis of 2008. This committee was slated to begin its work before the end of 2014. It is hoped that the results will shed light on the interaction between Ireland and the European Central Bank regarding the regulation and supervision of the financial system.

Citation:

A posthumous biography of or tribute to the man who was Minister for Finance in 2008 sheds light on the interaction between Ireland the European institutions during the banking crisis:

Brian Lenihan in *Calm and Crisis* edited by Brian Murphy, Mary O’Rourke and Noel Whelan, Irish Academic Press 2014

## II. Social Policies

### Education

Education  
Policy  
Score: 6

With regard to quality, evidence indicates that the Irish education system is average or slightly above average by western European standards. The most-frequently voiced concerns relate to levels of mathematics skills and lack of proficiency in foreign languages, as well as an overemphasis on the Irish language.

Some employers claim that the output of suitably qualified and skilled graduates from the second and third levels of the education system is inadequate, especially in the high-tech areas which the industrial development agencies are anxious to grow in Ireland. Nonetheless, many firms that invest in Ireland list the quality of the education system and the skills of the labor force among the principal attractions for relocating here.

With regard to equity, the fairness of the allocation of public resources for education is open to question. The resources allocated per pupil or student increase steadily the higher up the educational scale one goes, but access becomes more dependent on social class.

The fairness of the two-tier structure of the secondary education system is debated. A minority of pupils (about 10%) attend fee-paying schools where state support is augmented by the revenue from fees that can amount to €6,000 a year. These schools are socially exclusive and achieve higher academic results and higher progression rates to tertiary education than non-fee-paying schools. It is argued that the state should not subsidize institutions that perpetuate inequality in the education system. Most of these schools face excess demand for places, and have come under pressure to establish more transparent and equitable criteria for selection of pupils for entry. Irish students at tertiary institutions are not charged fees for most undergraduate courses. However, students were assessed a contribution of about €2,500 in 2013/2014, and this will rise to €3,000 by 2015.

The unemployment rate is closely related to educational levels, with the highest rates among those with the least education.

Teachers' and university lecturers' salaries are relatively high in Ireland by international standards. However, class sizes tend to be large and the education system is somewhat biased towards lower-cost areas such as liberal arts, law and business studies as compared to higher-cost areas such as engineering and science.

### Social Inclusion

Social  
Inclusion  
Policy  
Score: 6

During the recession, Irish social and economic policy continued to place a high priority on poverty reduction. The poorest groups in society have thus been protected from the worst effects of the recession. Although the rise in the unemployment rate and the fall in the employment rate has drastically reduced household income for many, the real value of the principal social welfare payments has been protected in successive budgets since 2008 over a period when the take-home pay of those in employment fell significantly. Public spending on social welfare rose from 9.5% of GDP in 2007 to a peak of 16.0% in 2011, but fell back to 14.7% in 2013. The 2015 budget made no significant changes to the structure of the system of social protection.

The most recent published results of the EU Survey on Income and Living Conditions (SILC) show that the incidence of poverty rose from 14.1% in 2009 to 16.5% in 2012, while the deprivation rate increased from 17.1% to 26.9%, and the incidence of consistent poverty from 5.6% to 7.7%.

The incidence of homelessness is on the rise in the country's principal cities and

towns. The virtual cessation of residential construction since the crash of 2008, combined with a recovery in house prices and rents in recent months, has made affordable housing increasingly difficult to obtain. Public policy has not given this growing problem a high priority.

The funds available for the education and support of people with mental disabilities were severely cut over the crisis period. Despite the slight leeway that emerged in the 2015 budgetary arithmetic, these cuts were not reversed.

Citation:

The failure of The 2015 budget to restore earlier cuts to fund the social inclusion of people with mental disability is documented here:

<http://www.inclusionireland.ie/content/page/budget-2015-offers-little-hope-people-intellectual-disability>

## Health

Health Policy  
Score: 5

### Quality:

During the period under review, the task of rationalizing and streamlining the delivery of public health services has continued in the face of opposition from those living in areas that are losing their small-scale hospitals and units in favor of a smaller number of more centralized “centers of excellence.”

The gradual improvement in the overall delivery of health care and outcomes has often received less than its deserved publicity. Measured in terms of outcomes (life expectancy, infant mortality rates, survival rates from major illnesses), the system compares reasonably well with those of other western European countries. Moreover, except possibly during 2009, most objective indicators of health have continued to improve despite the cuts in public-health spending.

### Inclusiveness:

The Irish health care system is a two-tier system, with slightly more than half the population relying exclusively on the public health system and the rest paying private insurance to obtain quicker access to hospital treatment. The rising cost of private health insurance is leading to a steady increase in the numbers of those relying on the public system. Problems with access to health care provoke more complaints and controversies than any other public service in Ireland.

Confusion has marked the government’s health strategy. The introduction of universal health insurance has been declared a priority, but in October of 2014, the newly-appointed minister for health expressed his opinion that this target was “too ambitious” to be achieved over the next five years. A commitment has been made to

roll out free general-practitioner treatment for children aged 5 and younger, but this too appears unlikely to materialize soon. Finally, recently implemented restrictions on access to a “medical card” – that is, the implementation of means-tested access to free medical care – were reversed in October 2014.

#### Cost efficiency:

The Irish health system is costly relative to GDP despite the favorable (that is, relatively young) population age structure. When spending is standardized for the population age structure, Ireland emerges as having the third-highest level of health expenditure relative to GDP within the OECD. In several reviews of its agreement with Ireland, the Troika expressed concern about continuing overruns in health spending. These have continued since Ireland exited the bailout program.

#### Citation:

For a recent study of the cost efficiency of the Irish health system see:  
<http://www.publicpolicy.ie/wp-content/uploads/HealthSystemIreland.pdf>

### Families

Family Policy  
Score: 6

The Irish income-tax system incorporates a principle of “individualization,” which means that at any given level of combined income, the tax burden is lower on households in which both spouses are employed for pay or profit than in those in which only one spouse is so employed.

The income-tax code thus generates some incentive for spouses to take up employment outside the home. However, its progressive structure implies that at relatively modest income levels, the second partner entering paid employment faces high marginal income-tax rates. Furthermore, the income-tax code does not permit the deduction of child care expenses. This, combined with the high cost of child care and the paucity of public provision in this area, is viewed as a serious obstacle to women combining parenting with employment outside the home.

Child benefits have been significantly reduced in recent budgets, and are now payable for dependent children at a rate of €130 per child (increased to €135 in the 2015 budget). This benefit does not vary based on whether the mother is employed outside the home.

The economic crisis had a more severe impact on employment opportunities for men than for women, as is to be expected in view of the collapse of employment in the construction sector and the relative stability of employment in services. The female unemployment rate rose from 4.0% in 2008 to over 11% in 2012, but by mid-2014 had fallen back to 9.5%, whereas the male rate rose from 5% in 2007 to a peak of

18% in 2012, and has now fallen back to 13.5%. The labor-force participation rate for males aged 15 and over fell from a peak of 74% in 2007 to 68% in 2013, while the rate among females fell from 55% to 53% over the same period.

### Pensions

Pension  
Policy  
Score: 6

The Irish system of pension provision rests on three pillars: a state old-age pension, occupational pensions and individual pension plans. The substantial proportion of the population that is employed in the public sector enjoys relative generous occupational pension entitlements.

In May 2011, an annual levy of 0.6% was imposed on the value of pension assets. In the 2014 budget, this levy was increased to 0.75%. The proceeds were earmarked to fund a “jobs initiative” program, and applied only to private-sector pension funds. In the 2015 budget, the minister announced that the levy, which was widely regarded as discriminatory and unfair, would be phased out.

#### Poverty prevention:

The state pension is not income related. It provides €20 a month for a fully qualified individual, regardless of previous earnings, with increases for qualified dependents. This is about one third of average earnings among the employed population. The nominal value of this pension has been held constant since the onset of the crisis, despite the general fall in incomes and a period of falling prices in 2010 – 2011 and again in 2014.

Ireland ranks among Europe’s best – alongside the United Kingdom and the Netherlands – with regard to the size of existing private pension funds relative to GDP. About 55% of the workforce has made some pension provision for their retirement outside the main state scheme. However, these schemes have come under very severe pressure following the stock market crash of 2007 and the fall in annuity rates (which increases the liabilities of these schemes). The trend of a shift from defined-benefit to defined-contribution schemes continued over the review period.

#### Fiscal sustainability:

The state pension scheme is largely a pay-as-you-go system. Its sustainability depends on the ability of the state to raise the funds required to meet ongoing commitments through taxes and social insurance levies. Although Ireland’s population structure is now relatively young, it will age rapidly over the medium term. This has led to repeated predictions of a pension-system crisis unless the retirement age is raised significantly and the amount earmarked for pensions from income taxes and social insurance levies is steadily increased. Pensions for those employed in the public

sector were until 2009 almost entirely funded from general tax revenue. Significant changes to the funding of public sector pensions were made in 2009 and in the Public Service Pensions Act, 2012. These will, over time, make the system more sustainable.

#### Intergenerational equity:

The pension reforms introduced over the past four years will eventually increase the equity of the Irish pensions system across generations. At present, inequities arise because those in the current generation of pensioners who enjoy the state pension or public-sector pensions did not contribute sufficiently through taxation and direct pension contributions to fund the level of pensions they receive. Those now in the workforce are unlikely to enjoy comparable levels of pension when they reach retirement age. Furthermore, although some adjustments have been made to pensions since the crisis of 2008, these have been smaller than the adjustments to the after-tax income of those who are in employment. Finally, Irish pension law gives retired members of defined-benefits schemes priority among the claimants to the schemes' assets. The deficits that have emerged in these schemes imply that active members are contributing to support pensions that exceed what they are likely to actually receive when they reach retirement age. The possibility of changing these provisions has been discussed recently, but no change has yet been made to the program.

#### Citation:

Data on poverty levels among the retired are from the Survey on Income and Living Conditions, 2011 Results: [http://www.cso.ie/en/media/csoie/releasespublications/documents/silc/2011/silc\\_2011.pdf](http://www.cso.ie/en/media/csoie/releasespublications/documents/silc/2011/silc_2011.pdf)

### Integration

Integration  
Policy  
Score: 7

The large inflow of immigrants during the boom years led to a rapid increase in the foreign-born population resident in Ireland. More than 70% of immigrants to Ireland have the right to reside, work and own property in the country by virtue of their EU citizenship. Despite the resumption of a high rate of emigration among Irish nationals after 2008, inward migration from abroad has continued at a significant rate.

The unemployment rate among non-nationals (especially those from the new EU accession states) is higher than among the native-born population. Many employed immigrants are not in occupations commensurate with their skills and education.

The inflow of families from non-English-speaking countries in the last 10 years has placed a strain on the education system. Additional resources have been provided to help cope with this challenge, but these are not regarded as adequate. There are signs of increasing gaps between schools in relatively deprived areas of the main cities, which often have high concentrations of children holding non-Irish citizenship, and schools in the more affluent areas with lower concentrations.



Forced integration is not an issue, although some ethnic and religious minorities face difficulties in a country that is still overwhelmingly Irish, while their children face problems in a school system that is still largely under Roman Catholic management.

The treatment of asylum seekers by the Irish authorities came under critical scrutiny in the course of 2014, with adverse attention drawn to the system of “direct provision,” which is intended to provide for the welfare of asylum seekers and their families as they await decisions on their asylum application. It provides essential services, medical care, accommodation and board, with three meals per day provided at set times. Attention has recently been focused on the poor standards of accommodation and living conditions in the facilities serving this population, as well as the enforced isolation of families waiting for as long as seven years to learn of a decision on their asylum applications.

There is no explicitly anti-immigrant political party in Ireland, and immigration was not a prominent issue in the 2011 general election.

### Safe Living

Safe Living  
Conditions  
Score: 7

Irish crime rates are relatively low by international standards. Property-crime rates rose somewhat during the economic crisis, and over the past decade there has been an increase in “gangland” crime, including murders involving firearms. The low detection and conviction rates for gangland crimes are disturbing.

The main police force remains unarmed. It enjoys a good relationship with the majority of the population, although tensions exist in certain areas and with certain social groups. In 2013 and 2014 a long-running controversy over the administration of “penalty points” for driving offenses had a significant negative impact on the public image of the police force, undermining public trust in the institution.

Cross-border policing cooperation between the Republic of Ireland and Northern Ireland remains good, although the existence of a long land border is an inherent obstacle to effective law enforcement.

### Global Inequalities

Global Social  
Policy  
Score: 8

Despite the austerity measures that have been taken to correct the imbalances in public finances, Ireland has maintained its spending on overseas development assistance in the region of 0.5% of GDP since 2008. There is a special focus on countries in Sub-Saharan Africa and on poverty eradication, ending hunger and encouraging gender equality, good governance and human rights.

Ireland has consistently supported an international agenda that advances social inclusion. Its support for a fair global trading system is constrained by the overriding role of the European Union in framing trading policy and to some extent by concerns about domestic self-interest with regard to certain sectors, including farming.

### III. Environmental Policies

#### Environment

Environmental  
Policy  
Score: 7

#### Climate Policy:

Ireland overshot its first Kyoto Protocol carbon-reduction targets, and has implemented a range of carbon-pricing instruments including a carbon tax. The long-term objectives for 2050 include an 80% reduction in carbon emissions across the electricity, transportation and built-environment sectors. In 2013, the government published a draft Climate Action and Low Carbon Development Bill. A commitment to producing up to 40% of the country's energy from renewable sources is being implemented, relying heavily on the construction of wind farms.

Ireland is a world leader in carbon-efficient agriculture and food production. At the EU Summit in October 2014, Ireland argued strongly for concessions in its carbon-emission reduction targets outside the Emission Trading System, because its agricultural sector (dairy farming in particular) produces almost half of the country's carbon emissions. The country's negotiators claimed that displacing this production from Ireland to countries outside the EU would ultimately result in higher global emissions.

#### Renewable water resources:

In 2000, Ireland signed the EU Water Framework Directive into law. Article 16 of that directive requires the introduction of charges for domestic water. Full implementation of this measure was included in the Troika Agreement with Ireland. To this end, Irish Water (Uisce Eireann) was incorporated in July 2013 as a semi-state company under the Water Services Act 2013. The company is charged with bringing the water and waste-water services of 34 local authorities together under one national service provider, which will subsequently be responsible for public water services including the management of national water assets and making capital and investment decisions regarding the country's water infrastructure. Irish Water is accountable to the Commission for Energy Regulation (CER) and the Environmental Protection Agency (EPA).

The installation of domestic water meters began during 2014. However, it became clear by October that all was not progressing well with this initiative. Very heavy up-front costs were being incurred, while the uncertain promise of significant savings over the medium term seemed largely aspirational. The structure of the tariffs for domestic water became the focus of a major political storm. The popular view is that they are unfair and constitute little more than a surcharge on the property tax. No estimates have been published of their effectiveness in conserving water usage. As of the time of writing, the issue looked as though it might become the government's biggest threat to survival since taking office in 2011.

#### Forest area:

Significant grants for increasing the proportion of the territory under forestry have been in place for some time. The state-owned forestry service operates forests that now cover about 7% of the country's land area. The privatization of the harvesting of some of these forests was recommended in the Troika agreement but now has been shelved in response to concerns about the potentially adverse effects on the amenity value of these lands assets. Increased afforestation has been proposed in exchange for leeway on the emissions from the Irish dairy sector.

#### Biodiversity:

Ireland is broadly compliant with EU directives on biodiversity, and engages in enforcement measures to protect wildlife and flora. An extensive rural environmental protection scheme has sought to encourage farming in a sustainable and environmentally sensitive manner.

#### Citation:

Climate Action and Low Carbon Development Bill 2013

<http://www.environ.ie/en/PublicationsDocuments/FileDownload,32468,en.pdf>

### Global Environmental Protection

Global  
Environmental  
Policy  
Score: 7

Ireland's environmental policies are largely framed within an EU context. The Irish taoiseach (prime minister) attended the UN Climate Summit in New York in September 2014, and said during his speech that "Ireland will play its role as part of the EU contribution to the global effort." The EU is committed to bringing forward its contribution to a global agreement early in 2015. However, at the October 2014 European Union summit, when this climate agreement was being drafted, Ireland entered pleas for special consideration regarding the carbon emissions from its agricultural sector.

## Quality of Democracy

### Electoral Processes

Candidacy  
Procedures  
Score: 10

Candidacy procedures are fair and do not overtly discriminate against parties or groups. As early as 2011, Ireland was “famous for electing more independents than the rest of Europe together” (Gallagher 2011), and this trend continued in European, local and by-elections in 2014. Out of a total of 166 members, there are now 23 non-party independents and a further five who belong to groups with only one or two members. During a Seanad (Senate) by-election in 2014, Fine Gael nominated one of their candidates to the board of a national museum in order to enhance his prospects of election to the Cultural and Educational Panel. However, he was defeated by an independent.

While the number of independent MPs has often been high, it has shot up dramatically during this parliament, due to “genuine independents” (legislators who have never held office for a major party) being supplemented by prominent mainstream politicians who have been expelled from their parties over policy differences. Examples include government minister Lucinda Creighton, who was expelled from Fine Gael for voting against changes to the abortion laws. However, a total of five lower-house legislators and two senators were expelled in July 2013 alone. Another junior government minister, Roisin Shortall, resigned from the government and from the Labour party over health care policy differences.

Citation:

Michael Gallagher, ‘Ireland’s Earthquake Election: Analysis of the Results’, in Michael Marsh and Michael Gallagher (eds) *How Ireland Voted 2011: The Full Story of Ireland’s Earthquake Election*. London: Palgrave.

Media Access  
Score: 9

As in the past, Irish elections continue to receive widespread and detailed coverage in the press, on radio and on TV. There are strict rules regarding media coverage – especially on radio and TV – designed to ensure equity of treatment between the political parties. The state-owned national broadcasting company (RTÉ) allows equal access to all parties that have more than a minimum number of representatives in the outgoing parliament. Smaller political parties and independent candidates find it less easy to gain access to the national media. However, any imbalances that may exist at the national

Voting and  
Registrations  
Rights  
Score: 8

level tend to be offset at the local level through coverage by local radio stations and newspapers. Subject to normal public safety and anti-litter regulations, all parties and candidates are free to erect posters in public spaces.

There were no significant changes in this area during the review period.

There have been no changes in voting and registration rules in recent years. All Irish citizens aged 18 and over are entitled to be registered to vote in all elections and referendums. British citizens may vote at Dáil, European, and local elections; other EU citizens may vote at European and local elections; non-EU citizens may vote at local elections only.

A person must be ordinarily resident at the address recorded in the electoral register on the September 1 prior to the coming into force of the register. There is limited provision for postal voting. There is no register of the population in Ireland on which the register of voters might be based. Instead an electoral register is compiled by local authorities.

While there is no evidence of systematic discrimination or disenfranchisement of any social groups in the compilation of the electoral register, inconsistencies have been repeatedly exposed, displaying a lack of investment in the electoral process and even a lack of concern for its integrity.

The constitutional convention has recommended lowering the voting age from 18 to 16, and the government has committed to holding a referendum on this issue in 2015.

Citation:

Preliminary study on the establishment of an electoral commission in Ireland, submitted to the Department of the Environment, Heritage and Local Government  
by: Richard Sinnott, John Coakley, John O'Dowd, James McBride,  
Geary Institute University College Dublin  
November 2008  
Programme for National Recovery 2011-2016, March 2011  
Convention on the Constitution: [www.constitution.ie](http://www.constitution.ie)  
<http://www.irishtimes.com/news/politics/reduction-of-voting-age-from-18-to-16-to-be-put-to-referendum-1.1458229>

Party Financing  
Score: 9

The financing of political parties in Ireland is supervised by the Standards in Public Office Commission. Each of the 14 political parties registered to contest a parliamentary or European election is required to furnish a donation statement to the commission and to publish annual accounts. The commission's last published annual report is for 2013.

Political parties that obtained at least 2% of the first-preference votes at the last Dáil general election qualify for Exchequer funding under the Electoral Acts. The amount payable to a qualified political party is based on its share of

the votes cast at the last election. In 2013, funding was paid to four qualified parties – Fianna Fáil, Fine Gael, Sinn Féin and The Labour Party. In sum, they received €5.5 million, with the larger of the government parties, Fine Gael, receiving 42% of this. The total value of donations from private sources disclosed by parties during 2013 was €171,644, with two-thirds of this received by Fine Gael.

Citation:

The most recent report on the funding of political parties is available here:

<http://www.sipo.gov.ie/en/Reports/Annual-Reports/2013-Annual-Report/AnnualReport2013/chapter3.html>

Popular Decision-  
Making  
Score: 5

The first Constitution of the Irish Free State in 1922 provided powers of “initiative” and “referendum” to the Irish people. However, the first government removed these rights and they were never exercised.

While Article 6 of the constitution introduced in 1937 states that: “All powers of government, legislative, executive and judicial, derive, under God, from the people, whose right it is to designate all the rulers of the state and, in the final appeal, to decide all questions of national policy, according to the requirements of the common good,” it contains no provisions for direct initiatives or referendums. The main constitutional provision for referendums refers to proposed amendments to the constitution. The constitution also provides for a referendum on a proposal other than a proposal to amend the constitution (referred to in law as an “ordinary referendum”) but the initiative for such a referendum resides with the parliament. No “ordinary referendum” has been held in the state to date.

Direct Democracy Ireland, a political party, wants to replace representative democracy with participatory democracy in Ireland and to allow citizens to petition for a referendum on any issue by collecting a certain number of signatures. It obtained only 1.5% of the votes cast in the 2014 European Parliament election.

The constitutional convention discussed the question of popular initiatives and referendums, but did not make a recommendation on the issue.

Citation:

The Department of the Environment, Community and Local Government, The Referendum in Ireland, July 2012, available at

<http://www.environ.ie/en/LocalGovernment/Voting/PublicationsDocuments/FileDownload,1893,en.pdf>

The Constitutional Convention’s concluding commentary is available here:

<https://www.constitution.ie/AttachmentDownload.ashx?mid=64bbfa68-89b9-e311-a7ce-005056a32ee4>

### Access to Information

Media Freedom  
Score: 10

In Ireland, public and private media are independent of government. RTÉ, the state-owned broadcasting company, is supported by fees from a mandatory license. It is obliged to give balanced coverage of political events and to guarantee access to a variety of political views. Access by political parties for electioneering purposes must also be balanced. The state broadcaster faces competition from private TV and radio stations and does not enjoy a monopoly in any area.

The Broadcasting Authority of Ireland (BAI) was established on 1 October 2009. It has to “ensure that the democratic values enshrined in the constitution, especially those relating to rightful liberty of expression, are upheld, and to provide for open and pluralistic broadcasting services.”

The Press Council of Ireland and the Office of the Press Ombudsman were established on 1 January 2008. Through it citizens have access to an independent press complaints mechanism that aims to be “quick, fair and free” and to “defend the freedom of the press and the freedom of the public to be informed.”

Press and government keep one another at arm’s length. Preferences and biases arising from the views of journalists and broadcasters undoubtedly exist in editorial matters, but there is sufficient variety of editorial opinion and adequate complaints procedures to prevent this from undermining the democratic process.

Controversy has surrounded the issue of the right of a newspaper to protect its sources, for example by destroying relevant documents. The European Court of Human Rights ruled that The Irish Times had to pay its own costs in a case on this issue filed against it by the state. The court commented that the costs ruling could have “no impact on public-interest journalists who vehemently protect their sources yet recognize and respect the rule of law.”

Media Pluralism  
Score: 8

A wide range of newspapers – national and local – is published in Ireland and this is augmented by the circulation of the main UK newspapers and weeklies. In addition to the range of public-service state-owned radio and TV stations, a variety of privately owned stations also exist. Irish listeners and viewers also avail themselves of UK English-language stations, which are widely received in the country. As a result, Irish readers, listeners and viewers are exposed to a plurality of opinions.

There is a plurality of ownership in the Irish media – the sector includes state

radio and TV, private radio and TV, a variety of newspapers with varied private ownership, and many small-circulation magazines that purvey alternative political views and philosophies. However, there are recurrent suspicions about the influence and power of the Independent News and Media Group, an Irish-based multinational media company that owns the largest circulation national titles. The control of this company has changed recently following a bitter internal feud. The group's editors maintain that its journalists are not restricted in their professional freedom.

There are also recurrent criticisms of the views promoted by the state-owned broadcasting company, RTÉ, and of bias in its core news and editorial comment. There does not appear to be much basis for such claims.

Irish libel laws are restrictive and may impair the ability of investigative journalists to have their work published. However, the restrictions imposed by the existing laws do not imply any bias toward one end of the political spectrum or the other.

Access to  
Government  
Information  
Score: 8

Irish Freedom of Information (FOI) legislation, initially enacted in 1997, was amended in 2003 to restrict access to data and information about decision-making in the public administration in several key areas, including defense, government meetings, and areas of commercial sensitivity. The Freedom of Information (Amendment) Act passed in 2013 removed the substantive restrictions introduced in 2003, and extended FOI to all public bodies including the National Treasury Management Agency, the National Asset Management Agency An Garda Síochána, and the Central Bank of Ireland. Moreover, it reduced the cost of internal review from €75 to €30, and appeal fees from €150 to €50.

The existing FOI legislation has been used effectively by individuals and the press to gain access to information regarding the manner in which ministries reach decisions, the expenses incurred in public procurement, and instances of the waste of public funds.

Government departments, ministries and agencies now have information officers to channel information to the public. In some cases these officers act as purveyors of objective information; others act as spin doctors, putting biased interpretations on events to suit politicians.

The Central Statistics Office (CSO) is responsible for the collection and dissemination of official statistics. An independent national statistics board oversees its performance. This office is located in the Department of the Taoiseach (the prime minister's office) and is not answerable to the ministers responsible for areas covered by the statistics. Sensitive data (such as figures



on inflation, unemployment, etc.) are made available to ministries shortly before their publication, but they have no right to alter these data or to influence how they are presented. The CSO enjoys a good reputation internationally in both its independence from political interference and the technical competence of its staff.

In May 2013, Ireland submitted a letter of intent to join the Open Government Partnership. Full membership was achieved early in 2014 with the submission of Ireland's National Action Plan.

### Civil Rights and Political Liberties

Civil Rights  
Score: 9

The Irish constitution enshrines the full range of fundamental civil rights associated with a liberal-democratic state. Article 38 establishes the right to a fair trial; Article 40 the rights to life, liberty, property, freedom of expression and equality before the law; Article 41 contains provisions for the protection of the family. In November 2012, the constitution was amended by referendum to strengthen the provisions regarding the rights of the child.

Operating under the common law system inherited from the era of British rule, the Irish courts have been active in discovering "unenumerated" rights implied by these articles. These include the right to bodily integrity, to freedom from torture, inhuman or degrading treatment or punishment, the right to work and earn a livelihood and the right to privacy.

Following the passage of the European Convention on Human Rights Act (2003) by the Irish parliament, the rights interpreted and developed by the European Court of Human Rights are directly enforceable before the Irish courts. The Criminal Justice (Legal Aid) Act 1962 established an extensive system of free legal aid to promote equal access to the law and the courts. Access to free legal aid in certain civil cases was established by the Civil Legal Aid Act (1995).

However, a plaintiff who takes a civil case through the courts and loses is likely to have to meet not only his/her own legal costs but also those of the defendant. The best legal advice is very expensive. These considerations limit the effectiveness of equality of access to justice especially in matters relating to defamation, property disputes and other areas not covered by legal aid.

The Protected Disclosures Act 2014 came into force in July 2014. This will offer legal protections for workers who report concerns about wrongdoing in the public, private and non-profit sectors. The law will cover all employees, contractors, agency workers, members of the police force (An Garda

Political Liberties  
Score: 9

Síochána), and members of the Defence Forces.

Freedom of speech, freedom of assembly, and the right to form unions and associations without religious, political or class discrimination are enshrined in the Irish constitution. These rights have been protected and upheld by the Irish courts over the years, subject only to restrictions regarding sedition, blasphemy and breaches of the peace. In October 2014, the government confirmed that it had accepted the constitutional convention's recommendation that a referendum on removing the offence of blasphemy from the constitution should be held.

Sinn Féin, the political wing of the formerly illegal Irish Republican Army, has become increasingly involved in mainstream Irish politics. Its share of the vote at general elections grew from 1.6% in 1992 to 9.9% in 2011, while the number of seats it occupies in parliament grew from none to 14. No political group is presently excluded from access to the airwaves or the print media.

Citation:

It is proposed to remove the prohibition on blasphemy from the constitution.

Non-discrimination  
Score: 9

There are strong anti-discrimination laws on the Irish statute books. The Employment Equality Act, 1998 and the Equal Status Act, 2000 outlaw discrimination on grounds of gender, marital status, family status, age, intellectual or physical disability, race, sexual orientation, religious belief or membership in the Traveller community in employment, vocational training, advertising, collective agreements, the provision of goods and services, and other opportunities to which the public generally has access. The Equality Authority is an independent body set up under the Employment Equality Act, 1998 to monitor discrimination. An independent equality tribunal was established under the same act to offer an accessible and impartial forum to remedy unlawful discrimination. These agencies have been active in recent years and successful in prosecuting cases on behalf of parties who felt they had been discriminated against.

The Civil Partnership and Certain Rights and Obligations of Cohabitants Act was passed in 2010. The act sets out the rights and obligations that civil partners have towards each other. These are broadly the same as the rights and obligations of married couples. On registration of a civil partnership, civil partners are treated in the same way as spouses under the tax and social welfare codes. However, the act does not change the law on issues relating to children, such as guardianship, adoption, custody, access or maintenance. The Convention on the Constitution has recommended the introduction of same-sex marriages, which would have to be passed by a referendum. In 2012, a referendum was passed to amend the constitution to explicitly recognize the

rights of children and generally provide enhanced protection to children. In 2014, the government committed to holding a referendum on a constitutional amendment legalizing same-sex marriages.

### Rule of Law

Legal Certainty  
Score: 6

Politicians are prohibited by law from interfering with the course of justice and attempts to do so appear to be very rare. Government and administrative units generally act predictably and in accordance with known rules. The use of ministerial orders can be to some extent arbitrary and unpredictable, but they are liable to judicial review.

A significant degree of discretion is vested in the hands of officials (elected and non-elected) in relation to infrastructure projects and town and rural planning. In the continuing economic crisis that followed the crash of 2008, there has been much less scope for corruption in relation to development and public contracts and public concern about these issues has waned.

Since 2012, a controversy has centered on the allegation of widespread corruption in the administration of “penalty points” relating to driving offenses. Two Garda (police) whistleblowers alleged that these points were often annulled by members of the police force acting on the basis of favoritism or in response to political pressure. An internal Garda report on the allegations was published in May 2013. It played down the allegations of corruption, but its findings were questioned by members of the Oireachtas, and the ensuing controversy eventually led to the resignation of the Garda commissioner and ultimately to the resignation of the minister for justice in May 2014.

The Garda Síochána Ombudsman Commission (GSOC) was also at the center of a controversy during 2014. In February, newspaper accounts claimed that the commission suspected it was under surveillance, and had hired a UK counter-surveillance firm to investigate the possibility. Although no evidence of a genuine threat to security was found, the manner in which the incident was handled provoked serious criticism.

These controversies have dented the public’s perception of the integrity of policy force and the operation of the rule of law.

#### Citation:

The report of the Inquiry into the behavior of the police in relation to allegations of misconduct and corruption is available here:

<http://www.merrionstreet.ie/wp-content/uploads/2014/05/Final-Redacted-Guerin-Report-OCR.pdf>

Judicial Review  
Score: 9

A wide range of public decisions made by administrative bodies and the decisions of the lower courts are subject to judicial review by higher courts. When undertaking a review, the court is generally concerned with the lawfulness of the decision-making process and the fairness of the decision. High Court decisions may be appealed at the Supreme Court. The courts act independently and are free from political pressures.

In October 2013, a referendum proposing the creation of a new Court of Appeal was passed. This court began operations in October 2014. The new court is designed to enable cases appealed from the High Court to be heard in a timely fashion.

The cost of initiating a judicial review can be considerable. This acts as a deterrent and reduces the effectiveness of the provisions for judicial review.

Appointment of  
Justices  
Score: 7

The Judicial Appointments Advisory Board (JAAB) acts in an advisory capacity in appointments to the Supreme Court. The president of Ireland formally makes appointments. The Oireachtas (a term that encompasses both parliament and president) has the power to appoint a person who has not applied to, and has not been considered by, the JAAB.

While the process does not require cooperation between democratic institutions and does not have majority requirements, appointments have, in the past, not been seen as politically motivated and have not been controversial. However, changes made in April 2012 to the system of regulating judges' pay and pensions and the appointment of judges provoked controversy. Although judges' pay and pensions had been shielded from the cuts in public sector pay implemented during the economic crisis, a huge majority voted in a referendum in October 2011 to remove this protection. This, combined with changes in the manner of appointment of insolvency judges, led the Association of Judges of Ireland to call for the establishment of an independent body to establish the remuneration of judges and create improved lines of communication between the judiciary and the executive.

Toward the end of 2013, the minister for justice and equality invited interested parties to comment on an ongoing Department of Justice and Equality review of judicial-appointment procedures. In response to this request, a Judicial Appointments Review Committee was established by the chief justice and the presidents of the high, circuit and district courts. This committee submitted a preliminary report in January 2014, which highlighted the unsatisfactory nature of the existing system and summarized systems prevailing in several other common-law jurisdictions. The government is committed to reforming the Irish system in response to these initiatives.

Corruption  
Prevention  
Score: 7

The legal framework and rules regarding standards in public office have been progressively tightened and extended over time in Ireland.

In January 2014, Public Service Reform Plan 2014 – 2016 was published. Its stated goal was to maintain momentum with regard to reducing costs and increasing efficiency in the public sector, “to deliver greater openness, transparency and accountability and to strengthen trust in government and public services.”

Many proposed reforms are still at the planning stage, and it is too early to assess their impact on the integrity of officeholders and public servants.

Citation:

The 2014 Public Services Reform Plan is available here:  
<http://reformplan.per.gov.ie/>

# Governance

## I. Executive Capacity

### Strategic Capacity

Strategic  
Planning  
Score: 6

In the past, the Irish approach to strategic planning was ad hoc and crisis driven. While this remained true in the immediate aftermath of the crisis, there is some evidence that Irish policymakers have improved their strategic-planning capacity since that time. The annual reports on the Program for Government document a more coherent strategic approach to policymaking over the past three years, with increased use of advisory bodies.

However, independent advice is not always followed. The Fiscal Advisory Council urged the government to devote the revenue gains arising from the recent improvement in the economy to a faster reduction of the budget deficit, and to avoid premature relaxation of controls on tax and spending. Similar advice was proffered by the Economic and Social Research Institute. This advice was not fully implemented in the 2015 budget.

Scholarly  
Advice  
Score: 5

In 2009, an academic was appointed governor of the central bank, breaking with the long-established tradition that the retiring permanent secretary of the Department of Finance would succeed to the governorship. The Fiscal Advisory Council, established in 2011, is a panel of independent experts, mainly drawn from academia.

Academics have regularly held advisory posts in government ministries, including the prime minister’s office and the department of finance. Advisers meet regularly with their ministers but there is no information on the impact on policymaking of the advice proffered. There is no established pattern of open consultations with panels of non-governmental experts and academics, although some ad hoc arrangements have been made from time to time.

Citation:  
Academics are active in several recently-formed independent blogs that may have some influence on policy maker.  
These include

<http://www.irisheconomy.ie/>  
<http://www.publicpolicy.ie/>  
<http://www.politicalreform.ie>  
<http://www.nerinstitute.net/>

### Interministerial Coordination

GO  
 Expertise  
 Score: 6

The influence and effectiveness of the Irish prime minister's office (Department of the Taoiseach) is limited by a dearth of analytical skills. The department's staff numbers have fallen by 17% and its overall budget by 57% since 2008. Its role has been transformed, with its new task being to focus on strategic-policy issues and the delivery of the Program for Government. This is achieved principally through the provision of support for the taoiseach as the head of government and as a member of the European Council and North/South Ministerial Council, as well as through the government secretariat, the cabinet committee system, and small teams supporting implementation of the Program for Government and the Action Plan for Jobs.

An expert group on strengthening civil-service accountability and performance reported to government in May 2014. Among the numerous recommendation it made were the establishment of an accountability board for the civil service, chaired by the taoiseach but also including external membership, tasked with reviewing and constructively challenging senior-management performance and monitoring progress regarding the delivery of agreed-upon priorities. It also recommended that the Irish Civil Service be given an appointed head. In its response to this report in October 2014, the government promised to implement some, but by no means all, of its recommendations.

Citation:

The report of the Independent Panel on Strengthening Civil Service Accountability and Performance is available here:  
<http://www.per.gov.ie/civil-service-accountability-consultation-process/>

GO  
 Gatekeeping  
 Score: 9

The Department of the Taoiseach reviews draft memoranda designated for discussion by the cabinet. Its views are taken into account when these memoranda are revised. The Taoiseach's Office exercises tight control over the government agenda.

Line  
 Ministries  
 Score: 9

The Prime Minister's Office is involved in legislative and expenditure proposals. The process is a highly interactive one, with much feedback between the line ministries, the prime minister's office, and the office of the attorney general. The department of finance has considerable input into all proposals with revenue or expenditure implications. Any significant policy items have to be discussed in advance with the Department of the Taoiseach.

Cabinet  
 Committees  
 Score: 6

There are nine cabinet committees. The most important is the Economic Management Council, which includes the taoiseach (chair), tánaiste, minister for social protection, the minister for finance, and the minister for public expenditure and reform. This

group is widely believed to have considerable influence on economic and budgetary policy.

The other committees deal with the areas of health, justice, public-sector reform, climate change, construction, the Irish language, European affairs, and economic recovery.

Oireachtas (parliamentary) committees play an increasingly important role in parliamentary business. They can receive submissions and hear evidence from interested parties or groups, discuss and draft proposals for legislative change, print and publish minutes of evidence and related documents, and require attendance by ministers to discuss current policies and proposals for legislation.

In November 2014, there was a public debate regarding the apparent power of the Economic Management Council during the discussion on the 2015 budget. The council was accused of exercising excessive powers over key financial/budgetary decisions, to the detriment of parliamentary democracy.

Citation:

For information about Cabinet Committee see:

[http://www.taoiseach.gov.ie/eng/Taoiseach\\_and\\_Government/Cabinet\\_Committees](http://www.taoiseach.gov.ie/eng/Taoiseach_and_Government/Cabinet_Committees)

<http://www.irishtimes.com/opinion/letters/economic-management-council-1.1996699>

Ministerial  
Bureaucracy  
Score: 5

Responsibility for policy coordination lies with the Prime Minister's Office (Department of the Taoiseach). However, to be truly effective in this area the office would require greater analytical expertise than it has at present across many areas of policy. Despite much rhetoric about "joined-up government," the coordination of policy proposals across ministries is relatively weak, and conflicting policies are often pursued in different parts of the civil service. For example, employment creation can take precedence over environmental considerations, and local planning processes often do not mesh with national housing policies.

Informal  
Coordination  
Score: 8

Every government in Ireland since 1989 has been a coalition government. One consequence of this is that each incoming coalition negotiates a Program for Government (PfG), which is essentially a coalition contract between the government parties. It plays an important role in policy coordination, but is not a self-enforcing contract. The parties, especially the smaller coalition parties, have a strong vested interest in monitoring implementation of the PfG. Indeed, the continued survival of the coalition government depends on successful policy coordination and implementation of the PfG. One innovation is that the government set up a program for the Government Office. The Government Office monitors the implementation of the commitments contained in the program across all departments. It also tries to ensure that all departmental strategy statements reflect the programmatic commitments for which that department is responsible. An annual report, published in March, then sets out the progress made across government towards meeting those commitments and



reflects the priorities for the coming year. The most recent report was published in March 2014, and runs to 76 pages.

The impression conveyed by accounts of cabinet meetings is that the agenda is usually too heavy to allow long debates on fundamental issues, which tend to have been settled in various ways prior to the meeting. On the whole these informal coordination mechanisms appear to work effectively.

Implementation of unpopular austerity measures such as tax increases (including the introduction of a property tax) and cuts in expenditure, especially in the health sector, have led to falling support for the government parties and a continued rise in support for independent candidates and protest groups.

Despite these strains, coordination between the government parties has preserved the coalition through the implementation of the main austerity measures, to the point where renewed economic growth may facilitate the government's survival through a full term.

Citation:

The two most recent Annual Reports on the Program for Government are available here:

[http://www.taoiseach.gov.ie/eng/Publications/Publications\\_2013/Programme\\_for\\_Government\\_Annual\\_Report\\_20131.pdf](http://www.taoiseach.gov.ie/eng/Publications/Publications_2013/Programme_for_Government_Annual_Report_20131.pdf)

[http://www.taoiseach.gov.ie/eng/Publications/Publications\\_2014/Programme\\_for\\_Government\\_Annual\\_Report\\_20131.pdf](http://www.taoiseach.gov.ie/eng/Publications/Publications_2014/Programme_for_Government_Annual_Report_20131.pdf)

### Evidence-based Instruments

RIA  
Application  
Score: 4

The 2011 Program for Government states, “We will require departments to carry out and publish Regulatory Impact Assessments [RIAs] before government decisions are taken.” In principle, RIA is used by all government departments and offices and should apply to:

- proposals for primary legislation involving changes to the regulatory framework
- significant statutory instruments
- proposals for EU directives and significant EU regulations when they are published by the European Commission
- proposals for legislation by policy review groups

In practice, the range of RIAs completed and published is narrow. The last published list of completed RIAs dates from 2009.

In response to parliamentary questions on the topic in July 2012, the prime minister

responded: “My department will shortly be consulting departments generally about the question of publication of regulatory impact analyses carried out before government decisions are taken.” There is little evidence that this consultation resulted in significant change over the review period.

The most important recent issue relating to regulation was the formation of Irish Water, replacing the existing patchwork of local water providers with a national body assuming responsibility for water quality, metering and charging. This body is regulated by the Commission on Energy Regulation, and in October 2014 began functioning under the Water Charges Policy Directive 2014.

It has been subject to a storm of criticism and protest centering on the upfront costs it has already incurred, uncertainty regarding its ability to achieve its stated objectives, and the level and structure of charges proposed for water usage. The closest thing to a regulatory impact assessment published regarding this undertaking was an assessment performed by an outside consultancy firm.

The future of Irish Water is uncertain at the time of writing, but its history represents a major failure in the area of regulatory impact assessment.

Citation:

The latest available government documentation relating to RIAs is

[http://www.taoiseach.gov.ie/eng/Publications/Publications\\_Archive/Publications\\_2011/Revised\\_RIA\\_Guidelines\\_June\\_2009.pdf](http://www.taoiseach.gov.ie/eng/Publications/Publications_Archive/Publications_2011/Revised_RIA_Guidelines_June_2009.pdf)

Parts of the Independent Assessment of ‘The options for water provision’ are available at <http://www.environ.ie/en/Publications/Environment/Water/FileDownload,29194,en.pdf>

Quality of  
RIA Process  
Score: 4

The accessibility and communication of the RIAs that have been performed are poor and independent quality evaluations of are not conducted.

Sustainability Check  
Score: 4

The shortcomings and problems that have arisen with regard to the launch of Irish Water illustrate a failure to create transparency and enable participation in the assessment of at least this important project.

Some of the suggested sustainability checks are included in the RIA Guidelines published in 2009, but there is no explicit mention of “sustainability” in that document and it does not seem that such checks are integrated into the RIA process. There is explicit provision for the inclusion of poverty impact assessments.

### Societal Consultation

Negotiating  
Public  
Support  
Score: 6

The Irish model of “social partnership” and centralized national wage agreements – which was given much credit for the success of the economy during the boom years – broke down and was abandoned after the 2008 crisis. The government imposed income cuts of between 5% and 8% for about 315,000 public servants in the 2010 budget. This

followed the earlier imposition of a 5% levy on public-sector incomes to help fund the generous defined benefit pensions enjoyed by public-sector employees.

Following these emergency measures, three public-sector agreements were negotiated between 2010 and 2013. The latest of these, known as the Haddington Road Agreement, runs until 2015. Under these agreements, public servants and their managers are committed to working together to change the way the public services do their business in such a way as to allow both costs and staffing levels to fall significantly, while nonetheless guaranteeing a degree of wage and employment stability. The cumulative effect of these measures has been significant changes in pay and working conditions in the public sector, and a marked increase in productivity.

In the present low-inflation economic environment, the government consults with workers and employers in the private sector to a much lesser extent than was the case before 2008. Wage settlements are largely reached through discussion and negotiation between the affected parties.

The issue of Ireland's corporation tax policy, and in particular the arrangements affecting some specific major multinational corporations with subsidiaries in Ireland, has been prominent in debates on tax issues during the last two years. The Irish authorities have responded to international pressure by tightening up the tax treatment afforded to these companies. These changes have involved consultation with the relevant actors.

The Irish government was relatively successful (compared with others that signed up to bailout programs) in maintaining broad public support for the austerity measures implemented over the review period. However, the situation deteriorated toward the end of 2014 (and into 2015).

Citation:

The latest public sector agreement is here:

<http://www.per.gov.ie/haddington-road-agreement>

### Policy Communication

Coherent  
Communication  
Score: 7

Under the constitution, the government is required to act in a collective fashion and all ministers are collectively responsible for government decisions. This doctrine of collective cabinet responsibility is normally adhered to and creates a clear incentive to follow a closely coordinated communications strategy.

In some controversial policy areas, communication between ministries and between ministries and the government has lacked coherence. During the review period, contradictory views have been expressed concerning future policy in regard to health

care, with inadequate coordination between the ministry and the government about what is planned and what is feasible in this area.

As previously discussed, the launch of the new water-services authority has been characterized by a serious lack of transparency and coherence.

### Implementation

Government  
Efficiency  
Score: 8

The coalition government formed in 2011 agreed a program called Government for National Recovery 2011 – 2016. This set out a legislative program and goals for economic management. The latter was very constrained by the agreement with the Troika.

Three annual progress reports have since been published, the latest in March 2014. These present favorable views of the government's achievements during its three years in office. A good deal of the reported progress represents initial steps, such as the publication of bills and plans and the commissioning of reports, rather than final outcomes.

The government's reform agenda experienced a notable setback with the public's rejection of the proposal to abolish the Seanad in an October 2013 referendum. However, significant progress has been made in other areas, including the continuing streamlining of the public sector, the introduction of the property tax and water charges, the successful completion of the constitutional convention, and the establishment of a new Court of Appeal. Under the Electoral (Amendment) Dáil Constituencies Act 2013, the number of members of the lower house was reduced from 166 to 158, and the number of constituencies from 43 to 40. This will take effect in the next general election.

There is little doubt that the volume of activity has been stepped up since the government took office. One (admittedly crude) way to measure this is the sheer amount of legislation being passed. For example, the Program for Government's 2013 annual report listed 57 new pieces of legislation that had been enacted in the previous 12 months. In the year through March 2014, a further 51 acts were enacted. To put this in context, the average annual number of bills passed between 1959 and 2008 has been calculated at 37. To accomplish the increased level of activity, parliamentarians are taking fewer holidays, and the number of days that the Dáil is in session has been increased by 20% to 30%.

Citation:

The March 2014 Review of the Program for Government is available at:  
<http://www.labour.ie/download/pdf/programmeforgovernmentannualreport2014.pdf>

Michael Gallagher (2010), "The Oireachtas", chpt 7 of John Coakley and Michael Gallagher (eds), *Politics in the Republic of Ireland*. London: Routledge and PSAI Press.

Ministerial  
Compliance  
Score: 7

The parties participating in the present coalition government have different agendas and priorities. The allocation of ministries between them has a significant influence on the overall coherence of government policy.

Individual ministries are to a significant degree independent fiefdoms that can be used by individual ministers to pursue their self-interest – including boosting their chances of reelection – rather than any comprehensive government objective. The system requires even senior ministers to spend considerable time and energy in local constituency work, because few are sufficiently distanced from the risk of losing their seat at the next election. One newspaper recently estimated (informally) that ministers spend only about 10% of their time on national issues.

The two ministries with overarching responsibility for coordinating this program are the Department of the Taoiseach and the Department of Finance.

Ministers are not involved in the appointment or promotion of civil servants; at the higher levels of the civil service, appointment is now in the hands of the independent Top Level Appointments Commission. However, a 2014 conflict over the roles of the minister for justice and the commissioner of the Garda Síochána (the police force) led to the resignation of both men, and eventually the departure of the secretary general of the Department of Justice as well.

Ministers select their own advisers and consultants and these exercise considerable influence. For the most part, however, individual ministers do implement government policy. But over time there is a tendency for some to pursue increasingly idiosyncratic goals. The ultimate sanction can be exercised by the taoiseach, as occurred in the major cabinet reshuffle of July 2014, which was designed to increase the government's cohesiveness.

Monitoring  
Ministries  
Score: 7

The annual budgetary process, and in particular the preparation of expenditure estimates, involves individual ministries submitting preliminary estimates to the Department of Finance. This is the opening of a battle for resources, as Finance seeks to reconcile the sum of departmental claims with the total available for public spending. Whereas monitoring and oversight of most line ministry spending and policy implementation have been effective in recent years, the problem of large cost overruns in the Ministry of Health and confusion about the medium-term strategy for public health are long-standing and unresolved issues.

Monitoring  
Agencies,  
Bureaucracies  
Score: 5

The Health Services Executive (HSE) is the executive agency responsible for providing public health care. It is the largest semi-autonomous bureaucracy in the country. Cost overruns and poor outcomes have been a persistent feature of this agency. These continued during and after the Troika program. The HSE was formed by the amalgamation of local health boards 10 years ago, and it is difficult to identify the savings that were promised due to this rationalization. This history weighs heavily

on public perceptions of what is now happening with the formation of the new national water authority.

In other areas, the autonomy of executive agencies has yielded mixed results, and the monitoring of these agencies is not sufficiently close to ensure that government policy is being implemented efficiently.

The Office of the Comptroller and Auditor General (OCAG) is responsible for auditing and reporting on the accounts of all public bodies, ensuring that funds are applied for the purposes intended, and evaluating the effectiveness of operations. The OCAG does not regularly monitor all executive agencies. It seems to select those where it knows or suspects that problems have arisen. Its mission statement says it “selects issues for examination which are important in the context of the management of public funds.” Its reports contain details of overspending and inefficiencies, and make recommendations for improving financial administration within the public sector.

In summary, a system of monitoring executive agencies is in place, but recent high-profile cases show that it all too often discovers failings and shortcomings after they have occurred and has not been very effective in averting them.

Citation:

The latest (2013) OCAG reports on the accounts of the public services are available here:

<http://www.audgen.gov.ie/viewdoc.asp?fn=/documents/annualreports/2013/Report/En/ReportIndex.htm>

[http://www.audgen.gov.ie/viewdoc.asp?fn=/documents/annualreports/2013/AppAcc/En/AppAccIndex\\_2013.htm](http://www.audgen.gov.ie/viewdoc.asp?fn=/documents/annualreports/2013/AppAcc/En/AppAccIndex_2013.htm)

A list of special reports on value for money in the public sector is available here:

<http://audgen.gov.ie/viewdoc.asp?DocID=-1&CatID=5&UserLang=EN&m=13>

Task  
Funding  
Score: 7

One of the motivations for the creation of Water Ireland in 2013 was to remove responsibility for the provision of water services from local governments, many of which had failed to provide a reliable supply of high-quality water to their populations and had seriously under-invested in water infrastructure over the years, perhaps largely due to inadequate funding from the central government. The water initiative paralleled the decision in 2005 to remove the provision of public-health services from regional health boards, centralizing this power instead in the Health Services Executive. As we have seen, this has not resulted in a smoothly functioning health care delivery system.

The functions and services that remain the responsibility of subnational units of government are largely funded by the central government rather than from local resources. In 2013, grants from the central government accounted for 43% of the current revenue and 90% of the capital revenue of subnational governmental units. Local taxes accounted for only 28% of their current receipts. While the introduction of the local property tax will raise the proportion of funds coming from local sources, subnational units of government will remain heavily dependent on the central

government for resources. This dependence is proportionately greater in the case of smaller and poorer local units.

The receipts from the new local property tax (LPT) are to be distributed as follows: in 2015, 80% will be retained locally to fund vital public services, while the remaining 20% will be redistributed to provide top-up funding to certain local authorities that have lower property-tax bases due to variance in property values.

No local authority will receive less income from the LPT in 2015 than they received from the Local Government Fund in 2014.

Constitutional Discretion  
Score: 5

Ireland is a unitary state, without a significant degree of autonomous local or regional self-government. Article 28a of the constitution simply states: “The state recognizes the role of local government in providing a forum for the democratic representation of local communities, in exercising and performing at local level powers and functions conferred by law and in promoting by its initiatives the interests of such communities.”

In keeping with its weak constitutional foundation, the role of subnational government is viewed by the electorate as confined to a narrow range of functions. Most of the units of local government – the counties and county boroughs – are small, and many have weak economic bases.

The role of subnational units of government has been progressively reduced, most notably by the removal of their responsibility for the provision of health and water services (respectively in 2005 and 2014). However, the government decided that local authorities that stand to receive more income in 2015 from the LPT than they received from the Local Government Fund in 2014 will be entitled to use a certain portion of that additional funding for their own discretionary purposes as part of their normal budgetary process.

While the Local Government Reform Act 2014 introduced some important changes in the structure of local government (merging three pairs of city/county councils and replacing town councils with municipal districts), it did not radically alter the structure or functions of local government.

Eight regional authorities were formed in 1994, comprised of groupings of counties. They coordinate some of the county/city and sub-county activities, while monitoring the use of EU structural funds. However, these have done little to improve the functioning of local government but they have led to some proliferation of quasi-autonomous non-governmental organizations (quangos).

National Standards  
Score: 7

Most of the main public services (health, social welfare, education, public transport and building and maintaining the primary national road network) are controlled and provided by central government and there is little scope for influence at local level. As already noted, responsibility for water services is being centralized.

The attainment of national (or, more usually now, EU) levels of public services is prescribed and monitored in other areas where local government plays a greater role, notably environmental services and standards.

The Environmental Protection Agency (EPA) plays a key role in enforcing standards across the country. The Office of Environmental Enforcement supervises the environmental protection activities of local authorities by auditing their performance, providing advice and guidance, and in some cases giving binding directions. It can assist the public in bringing prosecutions against local authorities found to be in breach of significant legislation. In other areas – the provision of social housing, maintenance of local roads, and other such issues – the attainment of national standards is largely constrained by the resources made available by the central government. There is significant variation between local providers in these areas.

### Adaptability

Domestic  
Adaptability  
Score: 9

The key influence in this area is Ireland's membership in the European Union and, in the financial area, of the euro zone. In the 40 years since Ireland became a member of the European Economic Community, the country has adapted institutions at all levels of government to allow effective functioning in Europe. Having successfully implemented the bailout agreement with the Troika, Ireland must now adhere to the EU rules of economic governance contained in the Treaty on Stability, Coordination and Governance and the fiscal procedures contained in the European Semester. While many domestic commentators criticize this framework as inappropriately restrictive, Ireland's conformity with its requirements has been widely praised internationally.

Citation:

For a discussion of the framework of Ireland's economic governance see <http://www.iiea.com/publications/reforming-european-economic-governance?gclid=CKCIzsatvcECFQRj2wodjz4A9w#sthash.II8sWbHq.dpufin> return for

International  
Coordination  
n  
Score: 7

The country contributes to international efforts to foster the provision of global public goods primarily through its active participation in European policymaking institutions. Irish government structures have been progressively altered to support this capacity. Ireland's commitment to maintaining a relatively high level of overseas development assistance has been maintained during the economic crisis. The country has also played an active part in the development of the European response to climate change.



### Organizational Reform

Self-  
monitoring  
Score: 7

The present government has a mandate for institutional reform and has made some progress in implementing its program in this area. Specific examples have been discussed in relation to earlier criteria.

Institutional  
Reform  
Score: 7

Radical change was called for in the wake of the dramatic policy and governance failures that contributed to the severity of the crisis. However, the specific reforms implemented have been relatively limited.

Institutional arrangements for supervising and regulating the financial-services sector have been overhauled to address shortcomings that contributed to the crisis. The Department of Finance has been restructured and strengthened, and a Fiscal Advisory Council established.

Several improvements in strategic capacity introduced during the period of the Troika agreement have been retained.

## II. Executive Accountability

### Citizens' Participatory Competence

Policy  
Knowledge  
Score: 9

Although turnout is not a guide to how well-informed voters are, it is worth noting that the turnout at the 2011 general election was 70.1%, which is the highest at any general election since 1987 and a big increase on the lowest turnout of 62.6% seen in 2002. Concern over the economic crisis and a desire to punish the politicians believed to have been responsible for the mismanagement of the economy may have been behind the increased turnout. The high turnout indicates interest in the political process and a belief in the value of voting. It is possible that the 6% drop in turnout for the May 2014 local and European parliamentary elections relative to the comparable 2009 elections reveals some fall-off in this belief.

The proportion of Irish respondents claiming to have heard of various European institutions is consistently higher than the EU average. The level of personal familiarity with elected politicians is very high – it has been claimed that a majority of the electorate have actually been canvassed by at least one person seeking election to the national parliament.

The quality of debate on policy issues is fairly high. Technical issues regarding bank solvency, sovereign debt and fiscal policy are now discussed in newspapers and on the

airwaves in greater detail and with more sophistication than would have been imaginable in the past. The ongoing public debate over the installation of domestic-water meters has also revealed a reasonable grasp of the relevant policy issues.

### Legislative Actors' Resources

Parliamentary Resources  
Score: 5

The Oireachtas Library and Research Service manages the Irish parliamentary library. The service's primary users are the individual members of the houses of the Oireachtas, committees and staff of the houses.

Whereas ministers recruit advisers and experts, there is no system of internships that allows members to recruit researchers and no tradition of members or groupings commissioning and publishing evaluations of government activity. The main resource available to members for monitoring government activity is the committee system. This allows members to call expert witnesses and explore the implications of proposed legislation. The resources available to these committees appear adequate for their purpose.

Citation:

A statement of the services available from the Oireachtas Library and Research Services is provided here:

<http://www.oireachtas.ie/parliament/media/housesoftheoireachtas/libraryresearch/others/LRSSStatementofServicesapprovedbyCommission2012.pdf>

Obtaining Documents  
Score: 7

Parliamentary committees have the power to send for persons, papers and records; to require attendance by ministers in order discuss current policies and proposals for legislation; and to require the attendance of principal officeholders in bodies that are funded by the state. The issue of access to government documents by committees has not been contentious in recent years.

A major test of the effectiveness of the parliamentary committee system will be the performance of the Oireachtas Joint Committee of Inquiry into the Banking Crisis, which was slated to begin public hearings in December 2014.

Citation:

The scope and structure of the Banking Inquiry are set out here:

<http://www.oireachtas.ie/parliament/media/Relevant-Proposal-to-the-Committees-on-Procedure-and-Privileges-of-Dail-Eireann-and-Seanad-Eireann.pdf>

Summoning Ministers  
Score: 8

The powers and scope of Oireachtas committees of inquiry are set out in the Houses of the Oireachtas (Inquiries, Privileges and Procedures) Act 2013, which was signed into law in July 2013. The act provides for Oireachtas inquiries, consistent with the Supreme Court's judgment in the *Abbeylara* case. The scope of legitimate parliamentary inquiries that can now be carried out is broad. The legislation expands

the scope of evidence that civil servants may give, thus enabling committees to develop a full narrative of events for the purpose of establishing facts.

The Banking Inquiry has been established under this act, and has power to require ministers or ministers of state to attend hearings to discuss the policy for which they are officially responsible. However, this power is circumscribed by the principle of cabinet confidentiality, which is enshrined in the constitution. Parliamentary committees do not directly have the power to summon ministers, but the Dáil Committee on Procedures and Privileges, which is chaired by the chief whip of the government, may delegate to a committee the power to require a minister or minister of state to attend a meeting to discuss policy, or proposed primary or secondary legislation (before it is published), or to hear the views of the committee before attending a meeting of the EU Council. Thus, in practice, the government controls who can be compelled to attend ordinary parliamentary hearings.

This said, cabinet ministers regularly attend committees and assist them with their work.

Citation:

For a discussion of the thorny issue of how the Constitutional provision for Cabinet Confidentiality will impinge on the work of the Banking Inquiry see the July 2014 post by Dr Conor O'Mahony on the Constitution Project @ UCC website:  
'Cabinet Confidentiality and the Banking Inquiry'  
<http://constitutionproject.ie/?p=342>

Summoning  
Experts  
Score: 10  
Task Area  
Congruence  
Score: 6

There are no restrictions on summoning expert witnesses to their meetings.

In keeping with commitments contained in the Program for Government, the number of parliamentary committees was reduced from 25 to 16 in June 2012. The aim was to strengthen the committee system by ending its role as a haven for disappointed non-ministerial members of the governing party. The Investigations, Oversights and Petitions Committee has been established and it will be chaired by a member of the opposition.

Further reforms were introduced in June 2012 including dissolving and reorganizing a number of administrative committees to reprioritize resources towards those dealing with government departments.

However, the reduction in the number of committees means that committees that were previously assigned on a one-to-one basis to monitor the work of government departments will now have to account for the work of as many as three departments. In one case – the Committee on Environment, Transport, Culture and the Gaeltacht – 21 members of the lower house and six senators, will supervise the work of three ministers and five junior ministers.

Audit Office  
Score: 9

The Office of the Comptroller and Auditor General (OCAG) reports to the lower house of parliament. The OCAG attends meetings of the lower house's Public Accounts Committee (PAC) as a permanent witness. The results of the OCAG's independent examinations are used for PAC enquiries.

The PAC's effectiveness is enhanced by having the OCAG's reports as a starting point, and in turn the OCAG's scrutiny gains significantly in impact and effectiveness because its reports are considered by and used as a basis for action by the PAC. The PAC examines and reports to the lower house as a whole on its review of accounts audited by the OCAG. This process ensures that the parliament can rely on its own auditing processes and capacities.

Ombuds  
Office  
Score: 6

The Office of the Ombudsman investigates complaints about the administrative actions of government departments, the health service executive and local authorities. Ireland largely follows the Scandinavian ombudsman model. The ombudsman acts in the public interest as part of an overall system of checks and balances, as representing and protecting the people from any excess or unfairness on the part of government. The ombudsman reports to parliament at least twice a year.

Only twice in the 25-year history of the Office of the Ombudsman have its recommendations been rejected by government. In 2009 the ombudsman was invited to appear before the relevant parliamentary committee to explain her views on the matter. The fact that this sort of conflict has arisen so rarely, and when it did it attracted so much publicity, is evidence that the office generally operates effectively and has its findings accepted by parliament.

In addition to the main Office of the Ombudsman, there are separate ombudsmen for the national police force (the Garda Síochána Ombudsman Commission, GSOC), financial services, children, insurance, the army, the press, and pension issues. These offices are effective in listening to the concerns of citizens in their dealings with government agencies.

During 2014, whistleblowers made serious allegations of misconduct against the police force. In July, newspapers carried a story about the office of the GSOC having been bugged. In the controversy that ensued, it was perceived by the public that the minister for justice violated the independence of the GSOC. This murky affair eventually led to the resignation of both the minister for justice and the Garda commissioner, damaging the public's perception of the effectiveness of an important ombudsman's office.

## Media

Media  
Reporting  
Score: 9

The Broadcasting Authority of Ireland (BAI) aims to ensure that “the democratic values enshrined in the constitution, especially those relating to rightful liberty of expression, are upheld,” and that broadcasting services are “open and pluralistic.”

The largest TV and radio stations in Ireland are operated by RTÉ, a state-owned public service broadcaster financed by revenue from the mandatory TV license, as well as by advertising. Since 1988, RTÉ has faced competition from privately owned radio and television stations. RTÉ devotes a significant proportion of TV and radio air time to news and commentary on current affairs and political issues. It also undertakes original investigative journalism. The privately owned TV and radio stations have to devote specified proportions of airtime to current affairs and public service programs. However, in terms of listener hours, music and entertainment outweigh current affairs and analysis.

The main stations produce high-quality information programs and programs devoted to in-depth analysis of government policy and decisions. They provide forums for discussions of current affairs, as well as outlets for opinions and grievances. These programs elicit reactions and responses from politicians. The two largest-circulation daily newspapers provide ample information on and analysis of government decisions.

The Press Council of Ireland provides an independent forum for resolving complaints about the press. In 2012, the United Kingdom’s Leveson inquiry mentioned the Irish Press Council as a model and suggested that some of its procedures should be imitated in Britain. There are no developments to report on this proposal.

Irish newspaper circulation (print and electronic versions combined) continued to fall over the review period.

## Parties and Interest Associations

Intra-party  
Democracy  
Score: 5

The prime minister is elected by the lower house of the parliament and is usually the leader of the biggest party in parliament. The position of party leader is therefore of great significance.

In the 2011 general election, the vote shares received by the four largest parties were: Fine Gael (36.1%), Labour (19.4%), Fianna Fáil (17.4%) and Sinn Féin (9.9%). Smaller parties and non-party candidates obtained 17.2% of the votes. The procedures used by the major parties to select their leaders and presidential candidates are described below.

#### Fine Gael:

The party leader is selected by secret ballot of the members of the parliamentary party. The party selected its presidential candidate in 2011 at a special convention. Voting was by secret ballot, with an electoral college made up as follows: 70% member of the Fine Gael parliamentary party, 20% Fine Gael members of county and city councils and 10% by the 12-member Fine Gael executive council.

#### Labour:

When the party became the junior partner in the new coalition government, the party leader was automatically nominated as tánaiste or deputy prime minister. The leader of the party is elected at the national conference by vote of the party members. Following setbacks in the local and European elections in May 2014, the party elected a new leader in July, who then became deputy prime minister.

#### Fianna Fáil:

The party has a pyramidal structure based on the local branches or cumainn. There are approximately 3000 of these across the country. The party leader is elected by the party's serving members of parliament. When in power, the party president has always been elected taoiseach (prime minister) by the serving members. In the past there has been controversy over votes of confidence in the party leader and whether these should be by secret ballot or a show of hands

#### Sinn Féin:

The present leader of Sinn Fein has been in that office since 1983. In view of that fact, it is difficult to provide details about how the party leader is selected. Since the party entered politics in the Republic in 1986, no vote of confidence in the party leader has been tabled. The Ard Fheis (National Delegate Conference) is Sinn Féin's ultimate policymaking body, where delegates – directly elected by members of local branches (cumainn) – vote on and adopt policies. The party has not yet formed part of a government in the Republic of Ireland.

Association  
Competence  
(Business)  
Score: 7

During the economic crisis the capacity of the trade unions and the employers' and farmers' associations to influence policy was seriously diminished. However, these associations are staffed by economists and other experts who conduct detailed background research and make detailed – if selective – cases to support their favored policies. They make detailed submissions to the Finance Ministry during the annual budget process. The government takes some account of these arguments when preparing the budget and in formulating other policies.

Citation:

The number of independent commentaries and online policy forums has grown in recent years:

see

<http://www.publicpolicy.ie/>

<http://www.irisheconomy.ie/>

<http://www.nerinstitute.net/>

<http://politicalreform.ie/>

<http://www.politics.ie/>

Association  
Competenc  
e (Others)  
Score: 6

There is a strong tradition of interest associations and advocacy groups in Ireland, especially in the areas of health and social policy. While their influence was diminished by the financial constraints of the last six years, they continue to have an impact on policies relating to issues such as drug abuse, provision for people with disabilities, homelessness, asylum seekers, and perceived inequalities and injustices in Irish society.

One of the most influential of these associations, Social Justice Ireland, evolved from an association of members of Roman Catholic religious orders.

While many of these associations prepare relevant policy proposals, their emphasis is on advocacy rather than analysis.

Citation:

For Social Justice Ireland, see

<http://www.socialjustice.ie/>

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