



Professional contractors need a code of practice

By Michael Dineen

Ireland continues to punch above its weight in attracting foreign direct investment (FDI). For a country of our size, this is no mean feat. Our FDI performance significantly outweighs the average among our European counterparts.

Corporate tax rates are, of course, one of the primary draws of Ireland's favourable enterprise environment, but a competitive tax regime is only one part of the attraction.

More importantly, there is our deep pool of talented and highly-educated workers. This is Ireland's unique selling proposition and our most valuable asset.

According to the IMD World Competitiveness Yearbook 2012, Ireland is ranked number one in the world for the availability of skilled labour. The flexibility and adaptability of our workforce is an impressive accolade that we cannot afford to become complacent about or take for granted.

As an open economy, Ireland is very dependent

on global markets. Much of our strength and recovery to date has been export-led, but we must also be proactive and focus on issues within our control, such as developing and nurturing the workforce that makes Ireland Inc what it is today.

It is in Ireland's – rather than the multinationals' – vital economic interest that we retain this investment and our edge over our competitors in terms of our flexible and talented professionals.

Ireland's talent pool consists of graduates and long-term employees. Our flexible workforce, comprising professional contractors, is a key aspect of our country's economic and investment success and one that I believe we are failing to nurture.

To date, this large group of professionals has grown organically, assisting greatly to Ireland's position on the international stage, but it's now time to support and grow this asset, and for the establishment of a code of practice for contracting and professional contractors in Ireland.

We need to foster this vital aspect of our workforce by ensuring that they are completely tax-compliant. This would not only benefit Revenue, but would also give the contractor peace of mind, allowing them to focus on their work, not their tax affairs.

A body is also required to advocate and work to cover the wider interests of contractors. It is crucial that we understand, and are aware of, the issues that are challenging and posing difficulties for contractors, the very people we, as a country and an economy, rely so heavily on.

It seems almost hard to fathom how and why we have not been proactive in this area. My worry is that, once again, we will realise before it's too late how critical this is to maintaining and building on our global reputation as one of the best locations in the world to do business.

Michael Dineen is chairman of **Contracting PLUS**, a company that sells accounting, administration and taxation services to contractors

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