

# AN IRELAND THAT WORKS FOR ALL

Labour's Budget for **2023**

*Labour* 

# CONTENTS

<b>OVERVIEW</b>	<b>3</b>
<b>COST OF LIVING</b>	<b>6</b>
<b>WORK</b>	<b>12</b>
<b>CARE</b>	<b>17</b>
<b>CLIMATE</b>	<b>26</b>
<b>HOUSING</b>	<b>33</b>
<b>COMMUNITY</b>	<b>39</b>
<b>APPENDICES</b>	<b>45</b>



# OVERVIEW

## LABOUR'S 2023 BUDGET STRATEGY

### AN IRELAND THAT WORKS FOR ALL

Ireland is a rich country. Yet, for so many people in our society, Ireland is not working.

The housing model is broken. Vital climate targets are being missed. The cost of childcare is soaring. Low pay leaves many unable to make ends meet. Secure jobs and decent work are threatened by a compounding energy crisis.

And now, the unprecedented cost of living crisis will see half of Irish families struggling to keep the lights on this winter.

These crises are strongly interlinked. They pose a fundamental – and sometimes existential – risk to our capacity to live. That is why this Budget must be generous, and must be seen through the lens of climate action. This Budget, and all future annual Budgets, must be drafted in a way that robustly addresses the Climate Emergency which was officially recognised by Dáil Éireann in 2019.

This government will be judged whether it helps households through this winter and, critically, whether it chooses to help those who have the least.

This isn't the 1970s. Neither is it the late-2000s nor the early-2010s.

The difference is, in 2022, thanks to the work of people in Ireland, we have the money to fix the problems that hold Ireland back. The money to prevent families from facing into this difficult winter with anxiety, fear, and hopelessness.

Record income tax and corporation tax gains have afforded this government choices - choices we could only have dreamt of during the last economic crisis. Government is about these political choices. Good GDP and exchequer figures alone won't heat homes or put food on the table. Putting state money and the windfall profits of energy companies to good use will.

**On care. On climate. On housing. On jobs and work.**

**Labour wants an Ireland that works for everyone.**

### Labour's fiscal approach

While the public finances are doing well, the same cannot be said for stretched household budgets. Indeed, half of Irish households are now at risk of energy poverty.

For four wasted years, the previous Fine Gael government, supported by Fianna Fáil, failed to use Ireland's hard-won prosperity to invest in affordable childcare, on introducing free-at-the-point-of-access primary healthcare, or on our public transport system. Instead, Ireland has one of the lowest levels of public investment of the world's rich countries. We are still playing catch up. Labour would invest more in the things that truly make a difference.

An Ireland that works means cutting costs for families, not taxes.

We agree with the Parliamentary Budget Office's pre-budget assessment. This independent body states that the government's "€2.3 billion for 'new measures... may underestimate the amount required (for public services) just to stand still and maintain existing levels of service, due to high inflation in 2022". This is a serious warning to the Minister for Public Expenditure and Reform, and it must be heeded.


A failure to better spend workers' hard-earned taxes on investing in care, climate, housing, and jobs risks weakening the State services which are relied on by those at the sharpest end of the cost of living crisis: people on low incomes, single parent families, those who live in cold homes, and pensioners. The government risks making a bad crisis worse for them.

These are political choices. On balance, Labour's approach to the introduction of urgent cost of living measures and Budget 2023 favours the introduction of targeted measures to assist those on low- and middle-incomes through this extremely challenging time.

### Funding Labour's Budget package

This time last year, the government forecast a deficit of €8bn for 2022, and predicted that Ireland would continue to borrow right up until 2025. That position has radically changed in the meantime. We are now running a surplus of €6.3bn that is expected to continue to grow. There also remains approximately €3.7bn unspent from the Covid and Ukraine Humanitarian contingency reserve

At the end of August, the tax take was over 25% higher than at the same time last year. With 200,000 more people at work now than before the pandemic, the economic and fiscal outlook is positive, but it is not without risk.



Labour's budget includes a net, once off Cost of Living package of €4bn in 2022, half of which should be used to cap energy costs. This spend can be funded from the extraordinary surplus and remaining Covid and Ukraine contingency reserve funds.

Ireland's vulnerability and potential over-reliance on corporation tax is well publicised but must be put in perspective. In 2022, Ireland is not borrowing at all for capital investment of nearly €12bn, instead funding it from day-to-day revenue. In effect, surplus corporation tax revenues are being used to fund Ireland's investment plans that will drive future growth. Even if a large proportion of these revenues fell away, Ireland would still be well placed to borrow for future investment. At present, however, we are still not investing enough. In Budget 2023, Labour would invest a further €2.5bn from the surplus for climate mitigation measures, delivery of 20,000 social and affordable homes, and additional healthcare capacity.

We are proposing a fully funded increase in current expenditure of €6.55bn for new current spending commitments in Budget 2023. Taking the government's initial budget package of €3.7bn for new measures, we have also located €2.85 billion in revenue raising measures. This consists of the same tax increases we called for last year, along with €800m from a windfall levy on energy profits in 2023. Nearly half, or €2.9bn, of the new spending relates to funding of €1.4bn for the public sector pay deal and the full year 2023 cost of increasing social welfare payments by €20 a week.

The series of tax increases proposed on non-productive wealth and assets allow us to sustainably raise additional revenue for spending, over and above the conservative framework adopted by the government, and in line with the principles of sustainable and fair taxation set out by the Commission on Taxation and Welfare.

This package will provide for the much-needed investment in our communities necessary to build an Ireland that works for all.



# COST OF LIVING

# COST OF LIVING

The spending commitments outlined below cover key Labour Party proposals to support people through the cost-of-living crisis, with measures to increase incomes, secure at-risk jobs, support better job opportunities and improve working conditions. This plan would be achieved through a once off cost-of-living package alongside permanent spending measures for Budget 2023.

## Cost of Living Package

The government is likely to deliver a cost-of-living package of somewhere between €2 and €3 billion, while the Labour Party has called for measures totalling up to €4 billion which would be proportionally in line with the German package of €65bn. Central to our plan is the implementation of some Budget measures from October, and once off spending and taxation measures that complement other proposals outlined throughout our Labour Budget.

Labour would have implemented a three-pronged approach to the energy crisis with a windfall tax on excess profits, a cap on energy prices and changes to the fuel allowance and other energy supports. However, these plans are now contingent on proposed EU measures for a windfall tax and changes to the operation of the electricity market. The full details of these proposals are not yet known but will supersede the domestic measures we outline here on energy prices. The EU package could include a maximum price of €180 per megawatt hour (Mwh) for renewables. To put that in context, the average wholesale price of electricity in Ireland in August was €387.63/Mwh.

Without knowing yet what energy profits for 2022 will be, we have conservatively estimated a windfall levy would yield €600m in 2022, rising to €800m in 2023. This is based on applying a 30% levy to the known 2020 profits, which would yield approximately €200m and we know profits have tripled since, and continue to rise. Labour has also called for the temporary nationalisation of the Corrib gas field so that the price we pay for this domestic gas supply would be set at the cost of production plus a margin for the operator, rather than the much higher market prices paid at present. This would result in a significant reduction in cost for a portion of our energy inputs. The government has the power to do this through laws put in place during the oil crisis of the 1970's.



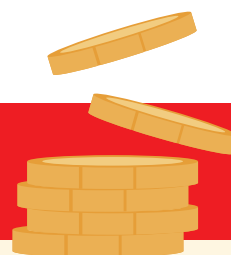
Implementing a cap on energy prices is a complex and dynamic measure to design and cost, and we have allocated €2.1bn to support this for households and business through winter 2022 and into 2023. Such a cap would ensure that all sectors of society benefit from lower energy prices. Many EU countries are now taking this approach, and Spain and Portugal provide a model for where they limited the price of gas in electricity production, and in effect subsidised gas generators since June, reducing bills by between 15 and 20%.

Energy should be viewed as a common good, especially at this time. The central point to any political debate on energy price caps is that there is far more the government could be doing but so far, they are unwilling and unable to act to radically lower energy prices and address market failures, preferring once off energy credits, and waiting for the EU to act. Our sister social democratic parties in Germany, Spain and Portugal have shown the type of proactive measures centre-left governments can take to protect their citizens from the fallout of Putin's war in Ukraine.

If the government proceeds again with domestic electricity credits, there must be clawback mechanisms such as the withdrawal of income tax credits from those earning over €100,000. A levy equivalent to the electricity credit should also be applied to holiday and vacant housing modelled on the previous Non-Principal Private Residence charge to avoid those with multiple properties benefiting.

Alongside the following spending measures outlined here in our once off cost-of-living package there must be a ban on evictions to protect renters throughout the winter.

# ONCE OFF COST-OF-LIVING PACKAGE



## 2022 REVENUE RAISING MEASURES

- 2022 Windfall Levy on Energy Profits (estimate). **(€600m)**
- €10/MwH surcharge levy on Data Centre energy use. **(€40m)**

## 2022 EXPENDITURE MEASURES

- Implement a cap on Energy Prices\*. **€2.1bn**
- October and Christmas Social Welfare Bonus **€596m**
- Energy Wage Subsidy Scheme. **€400m**
- Increase of €20 per week in Social Welfare Payments from October. **€399m**
- €9 per month Climate ticket for unlimited public transport in Ireland. **€300m**
- Child Benefit Double Payment in December. **€170m**
- €1,000 reduction in Student Contribution Charge, and once off €1,000 payment in two instalments of €500 for SUSI grant recipients. **€150m**
- €60 per pupil energy capitation grant winter payment for schools. **€56m**
- Additional core funding grant for childcare sector. **€50m**

## ONCE OFF TAX MEASURES

- €400 refundable Carbon Tax Credit for approx. 500,000 working families in energy poor households in 2022. **€200m**
- Extend current fuel excise cuts and reduced VAT rate of 9% on electricity and gas supplies. **€180m**
- Remove Motor Tax charge for half-yearly and monthly payments. **€37m**

**TOTAL: €4bn**

## Targeted Energy Supports

Alongside the once off expenditure measures outlined above, and a cap on energy prices we would put in place a range of targeted supports through Budget 2023 to help over 1 million households at risk of energy poverty. Labour's specific energy measures would directly benefit half of all households in the country.

As proposed last year and included in the cost-of-living package for 2022, we would fund in 2023 a refundable **Carbon Tax Credit** worth €400. This income tax credit would be targeted at ordinary working families in poorly insulated homes. It would be refundable and allocated on a household basis up to an income limit of €60,000, for those living in homes with a BER rating of less than B2. Households in receipt of the fuel allowance would not be eligible. Our costing is based on up to 500,000 claims. Over time the credit would be phased out as homes are made more energy efficient. Combined with the 2022 Cost of Living measure, this credit would be worth €800 in total to low- and middle-income workers. For families reliant on solid fuel and home heating oil this credit would make a significant difference.

The **Household Benefits** package is paid to nearly half a million households including all over 70's. It provides a €35 per month electricity or gas credit and we would increase this by €10 to €45 per month to ensure all older people receive additional support this winter

We would invest a total of €199m extra in the **Fuel Allowance**, by increasing the weekly payment by €10 per week to €43 from Budget night and provide a further four weeks as a once off payment worth €172 in April 2023. Many people on social welfare payments are not eligible for the fuel allowance due to additional income just above the limit and we would increase the €120 a week means income threshold to €250 benefiting a further 16,000 households. This Labour fuel allowance package would be an increase of 20% on what was paid to households over the 2021/22 fuel season inclusive of the additional payments in March and May 2022.

- Refundable Carbon Tax Credit (estimate). **€200m**
- Increase by €10 the monthly Household Benefits Gas or Electricity payment to €45. **€59.4m**
- Increase fuel allowance by €10 a week and provide for four extra weeks of payment in April 2023. **€177m**

- Expand eligibility for Fuel Allowance for 16,000 households. **€21.9m**
- Fund for addressing utility debt with Exceptional Needs Payments. **€7m**

### Protecting Fixed Incomes and Older People

Recent increases to social welfare benefits and assistance payments have been substantially below the rise in the cost of living. To provide some insulation against inflation we would apply a **€20 per week increase to all social welfare payments**, and as part of our 2022 package this would come into effect from 1st October, costing a further €400m. We also provide here for a €5 per week increase in the Living Alone Allowance.

Labour welcomes the increased discussion about having social assistance payments increased over time to reach a Minimum Essential Standard of Living (MESL) which should be a basic threshold of decency for our society.

- Increase weekly Social Welfare Payments by €20 per week. **€1,482m**
- Increase the Living Alone Allowance by €5 to €27 per week. **€60m**

### Helping families

Child Benefit has not been increased since 2016, and we provide for a monthly increase of €10 extra, and also make it payable in the month a child is born when new parents often face unexpected costs. Increasing the thresholds of the Working Family Payment by €20 a month would provide additional support for 17,000 families. In the Care section of Labour's Budget, we fund free GP for all children, slash back to school costs for parents, and reduce the cost of childcare to €200 a month.

- Increase child benefit by €10 a month. **€146m**
- Pay child benefit to new parents in the month of birth. **€8.4m**
- Increase Working Family Payment Thresholds by €20. **€49.6m**



**WORK**

# IRELAND NEEDS A PAY RISE

Ireland is a high cost, and for far too many a low wage economy. This is putting huge pressures on working people and families, and something simply has to give. That's why Labour has been campaigning throughout 2022 for workers to secure a pay rise, alongside radical improvements in public services that directly reduce their out-of-pocket costs for essential public services like education, childcare, public transport, and healthcare.

One simple measure the Minister for Finance can make to support workers this winter is to increase the Small Benefit Exemption from €500 to €1,000 allowing employers to provide an extra €500 of tax-free vouchers to their staff.

Too many workers live on low pay in Ireland, and it must be addressed. The government must put in place a clear pathway to a living wage. The minimum wage should now be increased by €1.50 to €12 to reflect the ever-growing impact of inflation, instead of the proposed 80 cent increase which is in effect a real pay cut. The current Living wage of €12.90 will increase substantially to reflect rising prices and costs. State tenders for goods and services should include the payment of the living wage as a contract condition.

- Increase Minimum Wage to €12 an hour and end sub-minimum rates for young people.
- Increase the Small Benefit Exemption to €1,000.
- Provide Living Wage for all Public Servants. **€1.5m**
- Restore tax relief for trade union subscriptions. **€37m**

## Public Sector Pay

The Labour Party believes in the principle that the world of work is best and most productively managed through a partnership approach underpinned by collective agreements. While we await the outcome of public service union ballots, in our Budget 2023 costings we have included the costs of the pay agreement next year from figures provided by the Department of Public Expenditure. €735m of this cost arises in 2022 and must be included in the expenditure base for 2023, with the specific cost for next year of €659 bringing the total 2023 cost to €1.394 billion.

- Public Sector Pay Deal cost in 2023 **€1.394bn**

Several other longstanding pay issues remain to be resolved and we have allocated measures elsewhere in our Budget proposals to ensure fair pay for our student nurses and midwives, Section 39 workers, medical laboratory scientists and Defence Forces personnel.

### Providing Paid Leave when it matters

We would double the length of dedicated paternity leave available to new fathers up to four weeks and provide families with more flexibility by allowing the second fortnight to be taken within the first 12 months. We would also provide for a further week of paid parental leave to take it up to eight weeks. Labour has also called for the introduction of reproductive leave for miscarriage or threatened miscarriage and call on the government to examine the feasibility of linking paid leave to earned income.

- Double the provision of Paternity Leave Benefit to four weeks and allow the second fortnight to be taken within the first year. **€13m**
- Extend Parent's Leave Benefit up to eight weeks. **€9m**
- Provide up to 20 days of reproductive leave as outlined in Labour's Reproductive Health Related Leave Bill. **€4m**

### Supporting workers when they need it

Our social insurance contributions are pay-related and fund social welfare benefits and retirement pensions. When a worker loses their job, they should be entitled to immediate support from the State and the link between previous income and the level of benefit paid out should be re-established. We are proposing a phased introduction of this, starting with a pilot €50 top-up, and the removal of waiting days for Jobseekers Benefit.

The current social insurance system doesn't recognise cohabiting couples, but we would extend widower's pension eligibility for surviving cohabitants for when a loved one is lost.

- Pilot phased introduction of Pay Related Jobseekers Benefit providing a €50 per week increase for incomes over €30,000. **€25m**
- Waive the three-day waiting period for Jobseekers Benefit. **€8.9m**
- Widow/Widowers pension eligibility for surviving cohabitants. **€10m**

- Introduce an Energy Wage Subsidy Scheme and transition it over the medium term into *ObairGhearr - a Short-Term Working Scheme*. **€400m**

### **An Energy Wage Subsidy Scheme**

Thousands of jobs are now under serious threat due to exorbitant energy costs, and we would provide €400m for an Energy Wage Subsidy Scheme to support SMES and those sectors particularly at risk such as manufacturing, retail, and hospitality. In the medium term we would then transition this new support into *ObairGhearr - a Short-Term Working Scheme*.

Labour wanted the pandemic Employee Wage Subsidy Scheme (EWSS) remodelled into a permanent fixture in our labour market so that we would be prepared for future recessions. This short-term working scheme would protect employees from lay-offs with state subsidies when companies encounter difficulties. Importantly, like the German 'Kurzarbeit' scheme, it would guarantee that each worker has an individual training or upskilling plan to both improve productivity and prepare workers for potential new opportunities.

To stop firms taking advantage of these supports, compliance checks will be key. The scheme would ensure a collective agreement oversight mechanism, between workers, their unions, businesses, and the State. This will protect workers from unemployment, help businesses retain staff, while guaranteeing that each worker has an individual personal development plan.

### **Additional Disability and Jobseeker supports**

Labour would phase in over two years a Cost of Disability payment starting with funding of €151m this year. We would also increase the Disability Allowance weekly income disregard from €140 to €160. The Wage Subsidy Scheme and EmployAbility support people with disabilities in the workplace, and we would fund 1,000 extra places on each scheme.

We would double the payments for workers on CE, Tús and RSS schemes, increase the Community Employment materials grant by 10%, and double the individual training budget from €250 to €500. We would make changes to the eligibility rules on all programmes to support uptake such as reducing qualifying access period to 6 months on CE. We would also finance significant changes to the Community Services Programme.



- Phased two-year introduction of a **Cost of Disability Payment** starting with €10 in 2023 for recipients of Invalidity Pension, Partial Capacity Benefit, Disablement Pension, Blind Pension, Disability Allowance and Injury Benefit. **€151m**
- Increase the income disregard for Disability Allowance to €160. **€6m**
- 1,000 extra places in Employability to support those with disabilities into the workplace. **€3.5m**
- 1,000 extra places on the disability Wage Subsidy Scheme. **€13m**
- Additional 2,000 JobsPlus places. **-€13m**
- Double Community Employment, Tús and RSS top-up (€22.50) **€38.3m**
- 10% increase for CE Materials and double training grant to €500. **€6.6m**

### Supporting Carers

During the pandemic Carers ensured many people were able to remain in their homes. They are our unsung heroes and need a helping hand. Too many receive little or no support from the State so we would increase the income disregard and respite grant in recognition of their invaluable work. We would also extend eligibility for the Carer's Allowance to all those in receipt of the Carer's Support Grant benefiting nearly 6,000 people.

We would extend eligibility for the State Pension to Foster Carer's and increase foster carer allowances with an additional investment of €48 million. These figures are estimates due to the inability to cost some of the proposed changes.

- Increase Income Disregards to €450 (single) and €900 (couple). **€11.4m**
- €150 increase in Carers' Support Grant to €2,000. **€21m**
- Extend Carer's Allowance to all those in receipt of the Support Grant. **€66m**
- Increase Foster Carer's allowances and extend pension eligibility. **€48m\***

### Investing in Young People

We would restore full adult Jobseekers rates for young people, provide the €500 cost of education grant to all back to education allowance recipients, and invest in youth work services.

- Restore full adult Jobseekers to those under 25. **€66.4m**
- Provide the €500 Cost of Education grant to all BTEA recipients. **€3m**
- Increase funding for youth work services by 10%. **€1.3m**



**CARE**

## A RADICAL APPROACH TO CHILDCARE

Inequality in Ireland starts the day a baby is born - that shouldn't be how it is in a republic. Public funding for childcare in Ireland remains a fraction of what other European countries invest. Campaigning for Equal Early Years, Labour and Labour Women have consistently called for a guaranteed publicly-funded pre-school place for every child, as is in place for primary school children. Parents need affordable, accessible childcare. Early years educators deserve decent pay and conditions. Most of all, children deserve an equal start.

To begin to realise that vision for a universal childcare system, Labour would invest €60m in 2023. This programme would be implemented through publicly-owned facilities, with initial pilot schemes targeted in areas with a shortage of childcare places.

To give immediate relief to hard-pressed parents during this cost-of-living crisis, Labour would cap monthly childcare fees at €200 per month (€50 per week) per child, bringing costs closer to average European levels.

The SIPTU Big Start Campaign has estimated that, following the recent Employment Regulation Order which came into effect to set minimum rates of pay for workers in the sector, a further investment of €107m is needed to improve pay and conditions for Early Years educators. Labour would commit an initial package of €75m towards this by ensuring that every childcare worker is paid at least a Living Wage and is entitled to sick pay. Labour would also allocate an additional €50m of core funding this winter to meet wage and energy costs through our cost-of-living package.

- |  |              |
|--|--------------|
| • Cap childcare fees through the NCS at €50 a week.              | <b>€275m</b> |
| • Rollout first stage of our Universal Public Childcare Scheme.  | <b>€60m</b>  |
| • Ensure a living wage of €12.90 per hour for childcare workers. | <b>€19m</b>  |
| • Sick Pay for childcare workers.                                | <b>€6m</b>   |
| • Additional Core funding through winter Cost-of-Living package  | <b>€50m</b>  |

## INVESTING IN CHILDREN AND EDUCATION

Labour wants well-funded schools, free education, and radical efforts to cut poverty to provide every child with a fair start.

## Eliminate Child Poverty

Labour would use targeted social welfare increases to reduce child poverty, with significant increases to the Qualified Child Payment. Alongside financial support we would fund the creation of a dedicated Departmental team focused solely on the goal of eliminating child poverty.

Labour had called for a €100m Covid 'catch up scheme' in 2022, and studies show in some cases children have lost out on nearly half a year's worth of learning due to lockdowns and interrupted schooling. The €50m Covid Learning and Supports scheme has now ended but we would restore it for this school year. The Tusla ABC Programme, set up by Labour, is an area-based funding measure intended to address multidimensional child poverty and we would extend it to five new location. This package would complement our proposed increased funding for DEIS schools.

- Increase the Qualified Child Payment for Social Welfare payments and BTWFD by €12 for children aged 12 and over to €60, and by €7 for children aged under 12 to €47. **€143m**
- Restore funding for Covid Catch-Up Scheme **€50m**
- Dedicated Departmental team to address child poverty. **€2.5m**
- Extend Area Based Childhood programme to 5 new locations. **€3.8m**

## Free Education - Cut Costs for Parents

We want a fair start for every child, and Labour will make education truly free for parents starting with books, clothes and meals, and improved school transport.

We would ban voluntary contributions and increase capitation grants for schools. By making the Back to School Clothing and Footwear Allowance universal it would reduce overall costs for all parents. At present it supports 220,000 children but there are nearly 950,000 pupils in our school system. A new costing from the Department of Education indicates the cost of free school books at primary and secondary level would be €85m a year.

- Free of charge books at primary and secondary level. **€85m**
- Universal Back to School Clothing and Footwear Allowance at increased levels paid in 2022 (€260 for 4-11 and €385 12-22). **€243m**
- Rollout of Hot School Meals to every school over 10 years (First year cost). **€47m**

- Invest in additional bus capacity for the School Transport Scheme. €4m
- Extend Child Benefit to young adults in second level education. €73m

**Reduce Class Sizes and Fund our Schools**

We will reduce class sizes as Ireland has some of the largest in Europe, and the lowest education funding in the OECD, and provide for a 15:1 pupil teacher ratio in DEIS primary schools.

As part of our cost-of-living package Labour provided once off capitation funding of €56m to provide a grant of €60 per pupil to all schools this winter. We would also implement a permanent 20% increase in capitation rates for schools next year, with a further 25% uplift for DEIS schools.

New funding for the school completion programme would expand it to a further 100 schools.

We provide an extra €10m to address the shortage of appropriate school places for children with autism and additional needs. We support the call for a €20 per pupil grant to finance school based mental health supports, allocating €19m for this in primary and secondary schools and we also commit to retaining for 2023 €20m in school library funding.

- Reduce Primary School classes from now by 1 point. €14.5m
- Cut class size ratio in DEIS schools to 15:1 (first year cost). €17m
- Reduce secondary school class sizes by 1 point (first year cost). €14.5m
- 20% increase in capitation rates for all primary and secondary schools (first year costs). €14m
- Additional 25% increase in capitation for DEIS schools (first year cost). €4.7m
- Restore School Leadership Posts at primary level (first year costs). €2.9m
- Mental Health funding grant of €20 per pupil. €19m
- 10% increase in School Completion Programme funding. €3.3m
- Appoint 20 additional Home School Community Liaison positions. €1.3m
- Increased funding for additional needs classes and special schools. €10m
- Implement the National Traveller Education Strategy. €1m

**CAPITAL**

- Additional school classrooms after reduction in pupil-teacher ratios. €39m
- School Library Funding. €20m
- Provide a defibrillator for every school. €6m

## Tackle the Crisis facing Students

Costs for students must be radically reduced, and funding increased for SUSI grants to address the increased cost of living and student accommodation crisis. Our goal is to achieve publicly funded education at all levels of the system. We welcome the removal of PLC fees last year as we have called for over several years and urge the Government to act to remove Apprenticeship fees now.

The SUSI grant system needs major reforms to both reflect the real cost-of-living; and the lived reality of students today with a system that recognises estranged students, those in international protection, and those who wish to study part time. In this Budget we would increase SUSI income grant limits by 10% to benefit 15,000 students with higher grants (the Department was unable to estimate how many additional students would also qualify). We would increase overall SUSI grant amounts by a quarter reflecting the increased costs students face alongside a once off cost-of-living measure of an additional €1000 this autumn to each grant recipient paid in two instalments.

We would ensure all young adults in the International protection system are treated as residents for the purpose of accessing higher education and grant access to the Student Assistance Fund which we would increase to €25 million supporting up to 8,000 more students. This includes the retention of pandemic funding of €9.4m and we would extend eligibility to students in further education and PLC colleges. We would allocate a further €1m to the Fund for Students with Disabilities taking it to €8.7m.

Labour would deliver a dedicated programme of capital investment to deliver publicly owned affordable and subsidised student accommodation through HEIs with an initial allocation of €100m in 2023. We would legislate to protect students in digs accommodation, and pass Labour's Bill to stop speculators converting purpose-built student accommodation into other rental uses.

We would increase funding for further and higher education by 10% through a reallocation of the surplus in the National Training Fund and restore postgraduate grants.

- |  |               |
|--|---------------|
| • Reduce Student Contribution fee by €1,000 from now.                | <b>€86.4m</b> |
| • Increase SUSI grant income limits by 10%.                          | <b>€17.5m</b> |
| • Increase SUSI grant levels by 25%.                                 | <b>€37.5m</b> |
| • Reinstate postgraduate grants and double uptake (first year cost). | <b>€11.5m</b> |

• Increase Student Assistance Fund to €25 million.	<b>€6.5m</b>
• Increase the Fund for Students with Disabilities.	<b>€1m</b>
• Remove Apprenticeship Fees.	<b>€6.5m</b>
• Increase funding for third level institutions by 10% (from NTF).	<b>€115m</b>
<b>CAPITAL</b>	
• Direct State investment in Student Accommodation.	<b>€100m</b>

## **AN IRISH NATIONAL HEALTH SERVICE**

The promise of Sláintecare has been lost due to a lack of political follow through. The Covid-19 pandemic highlighted the serious shortcomings in our health service but also showed the huge commitment of our healthcare staff, and the potential to deliver timely care if resources are deployed to the right places.

We still though have an opportunity to finally deliver a single tier health system and as we have outlined in recent years Labour would rollout an Irish National Health Service, starting with major investments in community primary healthcare, disability, and mental health services to take the pressure off our hospitals. Labour would commit nearly €900m of new current spending, and €590 of capital investment for health as part of our Budget 2023 package.

### **Primary Care**

Central to addressing overcrowding in our acute hospital system and improving outcomes for patients is investment in primary care. It has not received the attention needed for many years.

No parent should worry about money when their child is sick and Ireland is the only country in western Europe without universal access to GPs. We would immediately act to expand free GP care to all children under 18. Last year's Budget committed to an extension of the current scheme for 6- and 7-year-olds but to date it has still not been implemented.

Alongside free GP care, we would also provide €24m in additional resources for GP practices for the employment of additional support staff and practice nurses, and engage with the IMO on addressing the locum crisis, and concerns with the out of hours service.



- Extend free GP care for all children. **€100m**
- New resourcing for GP practices and €5m for the final phase of the GP agreement on contractual reform. **€24m**
- Train an additional 30 GPs a year. **€3m**

Primary care however is about much more than GPs, and primary care centres should provide the full suite of community centred healthcare. We would invest in community diagnostics and assessment hubs, and work towards treating more chronic diseases in the community. Resourcing supports for those with dementia, diabetes, asthma, and a range of other conditions will reduce pressure on acute hospitals. Urgent action is also needed to address the backlog of early development checks for children through the Public Health Nursing service. There are 240 vacant funded PHN positions that need to be filled, and the Sláintecare recommendations on child health and wellbeing need to be implemented.

- Primary Care Centre funding for community diagnostics and assessment hubs, and other related services. **€25m**
- Add Asthma to the Long-Term Illness Scheme. **€17.6m**
- Restore at-home developmental checks, recruit an additional 150 Public Health Nurses and resource a dedicated Child Health and Wellbeing service. **€11m**
- Provide direct GP access to echocardiograms. **€7.5m**
- Resource three community neuro-rehabilitation teams and supports. **€7.2m**
- Funding increases for dementia supports.. **€4.7m**
- Type 1 Diabetes funding for continuous glucose monitors. **€1.5m**
- Investment in Multiple Sclerosis services and National Care Centre. **€1.4m**

### **General Service Improvements**

Significant resources are already committed within the health service for the recruitment of staff but far too many positions remain unfilled despite being fully funded. This inability to recruit sufficient staff points to a failure of workforce planning and the impact of existing conditions on staff morale. These linked issues must be addressed in collaboration with higher education institutions, and with resourcing for general and targeted service improvements.

- New Mental Health funding to support implementation of Sharing the Vision, and adequate resourcing of CAMHS. **€100m**



- Expand the free Contraception Service up to 35 year olds. **€29m**
- Fund a further 1 million home help hours through the Home Support Service. **€28m**
- Greater Medical Card provision with income limit increase. **€21m**
- Increased funding for Cancer services and screening. **€18m**
- Increased funding for maternity services, employing an extra 100 midwives and 10 obstetricians. **€8m**
- Fund five new emergency ambulances. **€6m**
- Fully resourced acute stroke units (over 3 years). **€3.6m**
- Resource Phase 2 of Safe Nurse Staffing and Skills Mix Framework. **€3m**

### Targeted Service Improvements

- Provide free Winter Flu Vaccine to 50-64 year olds (estimate). **€19m**
- End period poverty with free-of-charge sanitary products. **€5m**
- Fund implementation of the National Breastfeeding Action Plan, recruit a further 10 lactation consultants and develop a Milk Bank. **€3.5m**
- HPV Vaccine catchup programme and older cohort rollout. **€3m**

### Addressing Staffing Issues

Workers in many Section 39 organisations and other bodies delivering health, social and other vital community services through service level agreements with government departments and agencies haven't had a pay rise since 2008. It is high time government accepted responsibility for this and engaged with the trade unions and employers to decisively resolve this long-running problem. We have provided €35m for this in 2023 as the Department was unable to provide a full costing. Alongside this, we have made allocations to address pay claims for student nurses and midwives, and medical laboratory scientists.

- Section 39 funding for staff salary increases (estimate). **€35m**
- Link payments for student nurses and midwives to HCA scales. **€24m**
- Settle the Medical Laboratory Scientists pay claim. **€13.6m**

### Reduce Out of Pocket Costs

- Phase out prescription charges over two years, with reduction to 50c per item and cap of €5 a month in 2023. **€29.7m**

- Reduce Drug Payment Threshold to €50/month. **€41.9m**
- Abolish hospital inpatient, outpatient, and long stay charges over two years with 50% reduction in 2023. **€31m**
- Reduce car parking charges in public hospitals. **€5m**

### **Disability Services**

This year again we have focused on meeting the massive unmet demand for disability services which the Disability Capacity Review found required an all-in investment of €350m in 2022 and for this year would again commit €270m in funding.

- Residential care (minimum scenario). **€220m**
- Day Services and day programmes. **€40m**
- Personal Assistant hours, and home support. **€34m**
- Multidisciplinary therapy services including Children's Disability Network Teams (€6m) **€48m**
- Respite care. **€18m**
- Community services and supports. **€3m**

### **Capital Investment**

Labour would provide an additional €590 of capital investment into health as the first step towards building an Irish National Health Service. As we have argued since the pandemic the nationalisation of two private hospitals would provide an immediate increase in public capacity in order to effectively tackle waiting lists.

- Nationalise two private hospitals. **€450m**
- Funding for an additional 200 acute and step-down hospital beds. **€116m**
- Public nursing homes, residential care, and cancer care centres. **€24m**



**CLIMATE**

# CLIMATE

This Budget must be seen through the lens of climate as it is our existential threat. Urgent action is needed to transition to a clean economy, and to drastically reduce carbon emissions. Despite the publication of a series of government climate plans, the government is nowhere near meeting our carbon reduction targets, repeatedly missing vital targets and deadlines. In fact, our emissions are going in the wrong direction. The Climate Change Advisory Council has called for “swift and decisive action to support people and communities this winter by addressing Ireland’s dependence on harmful fossil fuels”. Ordinary workers and their families must be supported through this change and must also see the benefit of moving to a carbon neutral economy, through a Just Transition.

That is why our flagship climate measure in Budget 2023 is the introduction for 6 months of a €9 monthly Climate ticket for public transport, modelled on the German scheme. Based on that example, and Irish public transport fare revenue in 2019, we have costed this proposal at €300m for six months through the winter up until the end of March. In three months, the German scheme saved 1.8 million tonnes of CO2 emissions - equivalent to the annual output from 388,000 vehicles. In Ireland, that would be the equivalent of taking 23,000 cars off the road. If introduced, our Climate ticket would help people make the move to public transport, save costs on fuel, and help Ireland meet our emission targets.

- €9 per month Climate ticket for unlimited public transport in Ireland. **€300m**

The Labour Party has also proposed a range of measures to protect ordinary workers and families from rising energy prices and the impact of the Carbon Tax in our Cost-of-Living Package. Alongside these measures, Labour would invest more in retrofitting programmes, frontload investment in active travel and city bike schemes, equip farmers to meet sectoral emissions, and make targeted investments to improve biodiversity and sustainability. It is essential that completion dates for flagship public transport projects like MetroLink are confirmed and delivered on.

We provide for an extra capital investment in climate measures of €376m, with €150m dedicated to retrofitting, €104m for solar installation, and €117m on public transport and cycling.

### Energy Efficient Homes and Buildings

Improving the energy efficiency of our built environment is an immense and expensive challenge for Ireland. A good place to start is in people's homes as making them warmer will create jobs, reduce costs, and carbon emissions. The National Retrofitting Plan doesn't go far enough.

The energy efficiency retrofit budget for local authority housing was €85m in 2022. Based on an average cost of €36,000 per unit, to ensure 5,000 homes are progressed next year would require an extra €100 million factoring in some construction inflation bringing the full investment to €185m.

The current Warmer Homes Scheme has a budget of €109m to retrofit around 4,800 homes a year. We would allocate a further €28m of capital to cover another 100 homes a month, 1,200 a year, with provision for replacement of doors as well, taking the total number of low-income households converted in 2023 to 6,000 homes.

Cost is a major barrier to undertaking retrofitting work and the National Energy Upgrade Scheme now offers grants of up to 50% of the cost to a B2 BER rating with attic and cavity wall insulation increased up to 80%. Labour would bring the remaining grants up to 60% of cost and introduce a new tax incentive modelled on the Home Renovation Incentive, which would be available to households earning less than €100,000, claimable on the first €10,000 of work. This would cover up to 50,000 homes a year.

To encourage uptake of these measures, Labour would also begin to appoint 100 local community energy advisors who would help to empower people across the country to make the necessary changes.

- Appoint 100 local Community Energy Advisors. **€14.5m**
- Home Retrofit Tax Incentive to encourage energy efficiency work. **€40m**

#### CAPITAL

- National Home Insulation & Public Retrofitting Programme of social housing for up to 5,000 homes per year. **€100m**
- 25% increase in Warmer Homes Scheme to cover an extra 1,200 homes and cover cost of new doors. **€28m**
- Bring Home Energy Upgrade Scheme grants to 60% of cost. **€15m**

## Energy Transition

The reliance on gas and fossil fuels for electricity generation has exposed Ireland to the risk of blackouts this winter. The rapid deployment of offshore wind infrastructure is needed to diversify our grid, and Labour would direct the ESB to scale up delivery and examine how the planning process can be swiftly improved to ensure projects are quickly built.

For many years, Labour has called for flagship community projects such as, the retrofitting of schools and the installation of solar panels on their roofs. These projects will have the symbolic effect of demonstrating the urgent need for collective climate action. If such a programme had been started in 2016, as we called for, the energy bills facing schools now would be a lot less. We would also increase the budget for the Community Energy Grant scheme up to €50m.

Demand has also soared for the SEAI solar panel installation grant of up to €2,400, with applications this year more than doubling. We would increase this grant to €5,000 and provide enough funds for up to 13,000 homes. We would also encourage farmers and small businesses to install solar capacity.

### CAPITAL

- |   |             |
|---|-------------|
| • School retrofitting and solar panel installation over 10 years.                                   | <b>€30m</b> |
| • Community Energy Grant Scheme.  | <b>€7m</b>  |
| • Increase SEAI Solar Panel installation grant to €5,000 and double uptake to 13,000 homes in 2023. | <b>€52m</b> |

## Public and Active Transport

Beyond the €9 climate ticket, Labour would further invest in public and active transport. We would allocate an additional €50m to fund capital investment in public transport to meet increased demand from the €9/month ticket. Encouraging the uptake of bicycles is also central to reducing emissions and reducing the number of cars on the road.

We have long called for the Cycle to Work tax scheme to be expanded to allow parents to purchase bicycles for their children; this 'Cycle to School' scheme would cost €1.4m. The current tax scheme does not support those out of work or self-employed to purchase a bike so we would allocate €5m through the Social Welfare Allowance 'Additional Needs Payment' to support grants of up to €250 to support

those who want to buy a bike. Alongside this, we would carry out a comprehensive review of how the tax system can be better used to incentivise uptake of cycling, e-bikes and cargo bikes both in homes, and businesses.

France plans to introduce a car scrappage scheme that would provide grants for those who trade in an old car in exchange for an e-bike or cargo bike. There are over 800,000 cars in Ireland over 10-years-old. Many of these are households' second cars. Labour would provide €25m for a pilot scheme that would allow for grants of up to €2,500 for cargo and e-bikes in exchange for trading in an old car. This would support the removal of up to 10,000 cars from the road.

We would also provide €26 million in capital funding for the expansion of the City Bike scheme with €20m for Dublin and the remainder allocated to other cities, and up to €500,000 for the rollout of the scheme to five new towns. A further €2m would be allocated to provide a 50-cent subsidy per trip to support operating costs.

Increased funding is also needed for a rural hackney service, rural transport schemes and the Local Link service. Contracts for the School Transport Scheme should also be adapted to reward operators who invest in new alternatively fuelled vehicles and we would increase the Alternatively-Fuelled Heavy Duty Vehicle (AFHDV) Purchase Grant Scheme up to €5m to support private coach operators.

- Funding for Rural Hackney Service and Local Link services. **€7m**
- €250 bicycle grant through DSP SWA Additional Needs Payment. **€5m**
- Introduce a new 'Cycle to School' tax scheme. **€1.4m**
- 50 cent subvention per trip for city bike schemes. **€2m**

**CAPITAL**

- Accelerated capital for public transport and active travel projects, following the introduction of €9 climate ticket. **€50m**
- Expansion of city bikes schemes, and rollout to five new towns. **€26m**
- Up to €2,500 Cargo or E-bike grant through car scrappage scheme. **€25m**
- Make public transport fully accessible over ten years for people with disabilities (first year funding - capital). **€14m**
- Alternatively-Fuelled Heavy Duty Vehicle (AFHDV) Purchase Grant Scheme. **€2m**

## Just Transition, Air Quality, Biodiversity and Sustainability

We would fund up to a further 60 projects through the Just Transition Fund with a new allocation of €21.5m, improve air quality monitoring, invest in the NPWS, and fund 20 new sustainability projects through the Community Services Programme.

• Double the Just Transition Fund.	<b>€21.5m</b>
• 38 new stations in EPA real time air quality monitoring network.	<b>€4m</b>
• Increase National Park and Wildlife Service current funding by 20%.	<b>€4m</b>
• New sustainability projects in the Community Services Programme.	<b>€5m</b>

## Agriculture, Food, Marine and Forestry

If the agriculture sector is to meet ambitious emission reduction targets, then new capital investment is needed. Labour would introduce a dedicated stream of funding for an Agricultural Rooftop Solar Scheme with grant aid of up to 60%, starting with €22.5m for up to 2,500 farms over 3-5 years growing to over €160m over 10 years for up to 18,000 farms. We would also provide a dedicated funding stream in TAMS II for an anaerobic digestion support scheme, and €5m for 60% grant aid for the purchase of Low Emission Slurry Spreading.

Significant funding is required to cover the transition from GLAS to the ACRES scheme so that no farmer who wishes to participate is left without an agri-environmental scheme in 2023. We would allocate €80m of new funding for this critical scheme and source a further €80m from existing resources in the Department.

We would maintain the Horticultural Exceptional Payment Scheme in 2023 and expand it to soft fruit growers to protect our home-grown food sector. The €10m committed to the Tillage Incentive Scheme should also be rolled over for 2023 to support an additional 25,000 hectares of grain and fodder crops. Labour would also substantially increase investment in organic farming by doubling funding from the current €21m, with provision within that for an increase in payments to encourage a greater take up.

A new Forestry strategy for 2023 to 2027 is being drafted that will likely change the rates paid for grants and premium payments. Just over 2,000 hectares were planted in 2021 despite an annual target of 8,000 ha a year (much lower than the previous 20,000 ha target). Once the licensing backlog is addressed, the current capital budget must be refocused to pay farmers more to plant woodlands.



Budget 2022 allocated €500m from the Brexit Adjustment Reserve through which Ireland will receive over €1bn of EU funds. Most of these funds remain unspent. Additional BAR funds should be allocated to support agri-food, marine and seafood producers.

• Transition funding for GLAS rollover to ACRES.	<b>€80m</b>
• Double funding for the Organic Farming Scheme.	<b>€21m</b>
• Horticultural Exceptional Payment Scheme.	<b>€3.5m</b>
<b>CAPITAL</b>	
• New Agricultural Rooftop Solar Scheme 60% grant aid.	<b>€22m</b>
• 60% grant aid for Low Emission Slurry Spreading equipment.	<b>€5m</b>



# HOUSING

# HOUSING

After a year of the Housing for All plan, it is clearly failing. A younger generation are frustrated as they are caught in a cycle of ever rising rent and house prices, with rents often consuming nearly half their wages. The failure to tackle insecure housing by restricting evictions as Labour has proposed in our Renter's Rights Bill continues to add to the ever-rising level of homelessness. The latest solution offered is tax breaks for landlords which ignores the reality of record rents and record asset prices. Landlords shouldn't pay less tax on rental income than workers on their wages, which then goes on to pay the rent!

The speculative housing "market" has a hidden human and social cost we can no longer afford. The State must step-in to build more affordable homes, freeze rents and tackle homelessness.

Labour will build, and we will build back fairer. Overall, we would allocate an additional €1.43 billion in capital to the delivery of housing in 2023. We will protect renters and end speculative land hoarding. Three key housing measures for Budget 2023 to deliver are to:

1. Double State delivery of cost rental and affordable housing, and tie Croí Cónaithe (Cities) funding to the delivery of cost rental apartments.
2. Increase income limits for social housing eligibility to €40,000 per person and move towards doubling state investment in direct social build while revising HAP limits as an interim measure.
3. Provide an initial €500m fund for Construction Defects to address an initial 20,000 households.

## **Social and Affordable Housing Provision**

Over the medium-term Labour would move to double capital investment in social and affordable housing. Doing so will also address the over-reliance of the State on private rental accommodation to provide social housing through current expenditure programmes like HAP, RAS and social leasing. This existing FG/FF model is not a viable long term housing strategy leaving the State with no asset despite hundreds of millions of annual current expenditure on housing provision. Our ultimate goal is the phasing out of such schemes to remain only as a short-term measure until a person or family with an identified housing need is permanently housed in a publicly owned building or approved housing body.

In this year's Budget we would invest enough to deliver 20,000 social and affordable homes in 2023.

According to the revised estimates, the target for social housing units through all build programmes in 2022 was 9,000 homes. Approved Housing Bodies were to deliver 3850 with 400 through the Capital Assistance Scheme, and the remainder through the Capital Advance Leasing Facility. At least another 100 would come from the national regeneration programme. The balance of approx. 5,050 homes would come from the local authority housing capital budget of €1.238 billion.

The proposed build programme under Housing for All in 2023 would deliver 9,100 social homes. We would provide an additional €835million, funded from excess corporation tax receipts to build an extra 2,900 local authority homes next year on publicly owned land.

It is difficult to get accurate projections from the Department of Housing for how many units of cost rental and affordable housing will be delivered in 2022, and the targets in 2023 are also opaque. These homes are funded by the Department through a variety of indirect schemes, and the LDA. The Department was unable to provide costings for delivering an extra 2,000 units of cost rental housing claiming it would be site and project specific. Similarly a maximum subsidy of €100,000 is provided for affordable purchase housing in Dublin, and the Department would only provide a range for how much additional housing would cost. An extra 4,500 units are needed in 2023 to bring delivery up to 8,000 homes.

Labour is proposing to more than double annual delivery for these two streams to ensure 4,000 affordable purchase, and 4,000 cost rental homes are delivered in 2023, partially funded through the phasing down of Help to Buy and the First Home shared equity scheme. The government is intent on pursuing the Croí Cónaithe (Cities) scheme which will use up to €450m of investment to underwrite private apartment developments on urban sites. Labour would make the delivery of cost rental housing a condition of access to the scheme.

The Department was also unable to provide a costing for increasing social housing income eligibility limits to €40,000 for a single person.

## **CAPITAL**

- Build an extra 2,900 local authority homes on publicly owned land in 2023 for total delivery of 12,000 units (All in cost). **€835m**

- Financing to ensure delivery of up to 4,000 cost rental units, and 4,000 affordable homes. **€450m**
- Community Infrastructure Fund for local authority and AHB building projects over 50 units. **€30m**

### **POLICY CHANGES**

- Increase social housing income limits to €40,000 per single person.
- Make cost rental a condition of Croí Cónaithe (Cities) funding.

### **A Fair Deal for Renters**

Tax breaks for landlords will not stop them selling up their property or evicting tenants. Ireland needs to change our laws on evictions, so tenants are not made homeless because the home they live in is being sold. The Minister must revise HAP limits to accurately reflect market rents and the discretionary levels already being paid but commit long term to phasing it out through investment in publicly owned housing.

- Ensure every new HAP tenancy is inspected within 12 months and that 25% of all tenancies are inspected per year. **€11.2m**
- Introduce a three-year rent freeze, restrict evictions, and develop a Rent to Buy scheme.

### **Construction Defects**

The report of the Working Group to Examine Defects in Housing found that the estimated remediation costs would be likely in a range from €1.56 to €2.5bn for between 60,000 and 100,000 homes. To provide an initial redress fund for those living in apartments and housing developments with construction defects, and for MICA commitments, we would provide for an initial fund of €500m from 2023. The fund would be financed long term through a 2% recurring levy on the profits generated from construction activities in Ireland. Such a levy would yield €50m a year so the initial cost of the fund would be recouped over a decade. Additional capital allocations would be made over future years as costs become clearer.

We would also immediately provide for retrospective tax relief to support those already paying remediation costs for their homes.

- Redress Fund for Construction Defects and MICA. **€500m**
- Tax relief for remediation costs of owner occupiers and AHBs in multi-unit developments. **€7.5m**

## Other Housing Measures

The student accommodation crisis is worsening every year, and the State must act to invest in publicly owned, affordable student accommodation in higher education institutions across the country. Direct state funding is now needed to ensure these cost rental units are built.

Limits for the Housing Adaptation grant scheme need to be urgently reassessed to ensure they are in line with actual costs of delivery. We would increase the overall commitment by 20% to €78m to take account of increased demand and construction inflation of 14%. Adaptation grant work should also be compulsorily aligned with retrofitting and energy efficiency measures under the SEAI Warmer Homes Scheme.

We would provide an extra €15m in homelessness funding and urge the Government to limit the rules on evictions and reallocate existing capital funds to allow local authorities to purchase homes of HAP or RAS tenants who are given a notice to quit.

- Increased allocation for Housing First and homelessness supports, procurement of one bed homes; and tenant in situ properties. **€15m**
- CAPITAL**
- €100m direct state investment in affordable, public student accommodation. **€100m**
  - 20% increase for Housing Adaptation Grant funding, align with SEAI retrofitting work, and review limits in line with construction inflation. **€13m**

## End Speculation and Land Hoarding

Local Property Tax returns show there were 57,206 properties declared vacant in November 2021 while the Census had 166,752 vacant dwellings and 66,135 unoccupied holiday homes. Applying a levy of €500 to just the LPT vacancies would yield in the region of €28m. This Budget must introduce a vacant housing tax after years of delay. Vacant Housing Officers in each Local Authority would be responsible for enforcing such a tax and it should increase after six months if the property isn't utilised. The point of a vacant housing tax is not to raise revenue but to ensure empty homes are returned to use.

A new low interest refurbishment loan of up to €100,000 should also be made available through local authorities for those who want to buy or refurbish vacant and derelict housing.

- Vacant Housing Tax levied at €500 for first 6 months. **= €28m**
- Increase Vacant Sites Levy to 10%, enforce it, and ringfence resources in councils to register and inspect vacant sites. **= €10.4m**

### **POLICY CHANGES**

- Introduce a local authority low interest loan for owner occupiers who want to buy and refurbish vacant and derelict buildings.
- Apply a minimum 10% Stamp Duty levy on bulk sale of apartments to private investors.
- Establish a levy of 3% of site market value for Strategic Housing Development sites with planning permission that have been undeveloped within 12 months of receiving permission.
- Change planning law to stop the repurposing of student accommodation into short term lets and invest in publicly owned cost-rental student housing.
- End social leasing under Part V and provide local authorities with a capital funding stream to purchase these units.



# COMMUNITY



# COMMUNITY INVESTMENT

## Supporting the Arts, our Culture and Language

Labour has a proud record of support for our arts, culture and for all who work in these sectors. We must continue to invest in our national cultural institutions by increasing their core funding and ensure that they can be more widely accessed by the young through to the old by extending their opening hours on weekends and weeknights. The promised reform of licensing laws must be accompanied by investment into arts and cultural spaces across our cities and towns.

The chronic shortage of such space is one of the most critical issues in the sector and we are proposing a €10m annual fund to help Local Authorities to wholly or part fund the purchase of new premises or refurbish vacant properties. Additional funding in the Towns and Villages Scheme would also be used to secure new spaces. It is also vital that specific supports are made available to help arts and cultural spaces to decarbonise.

The three-year Basic Income pilot for Artists is very much welcome however this must not distract from improving wages in the sector and it is vital that disabled artists are properly supported by the tax and welfare system.

New measures this year to support broadcast and film include increased investment in TG4, Raidió Rí-Rá and Screen Ireland. Labour would allocate again the additional direct State funding allocated to the Sound and Vision Fund in 2021 and 2022.

Credimíd gur cóir infheistíocht suntasach a cur in áit don teanga Gaeilge a chur chun chin. Is mór an tabhachtach go bhfuil níos mó infheistíocht le fáil do Foras na Gaeilge agus sna ionad cultúrtha Gaelach.

We would zero rate VAT on local and national newspapers and examine the standardisation of VAT across all music and entertainment venues.

- Additional Arts Council Funding up to €150m. **€20m**
- Increased funding to Culture Ireland to bring budget up to €7m. **€2.4m**
- Extended opening hours for National Cultural Institutions and 10% funding increase for national and regional institutions (€7m). **€8.3m**
- TG4 funding for digital platforms, children and youth programming. **€8.3m**

- Increased language and Gaeltacht funding for planning, Youth Officers, Foras na Gaeilge and Roinn na Gaeltachta fund. **€8m**
- Retain direct State funding stream for Sound and Vision Fund. **(€8m)**
- An Taibhdhearc, the National Irish Language Theatre. **€2m**
- Reform social welfare & medical card rules for disabled artists. **€2m**
- Funding for Raidió Rí-Rá. **€1m**
- Remove VAT on local and national newspapers. **€18.5m**

### **CAPITAL**

- Funding for Local Authorities to buy and refurbish vacant properties for cultural purposes and maintain existing premises. **€10m**
- Jobs investment package through Údarás na Gaeltachta. **€5m**
- New investment in Irish film through Screen Ireland. **€2m**

### **Investing in Communities**

The community, voluntary and charity sector provide incalculable supports and services across our country, and Labour would invest in their work, staff and volunteers. We saw their vital role during the pandemic and how they are integrated in our public service infrastructure.

Significant funding has been lost from the Leader Programme and SICAP in recent years and we would implement increases for each.

We would benchmark funding in the Community Services Programme to provide a living wage for workers (€17.4m), restore the non-wage grant of €7.1m and provide increased funding for manager salaries through an overall investment package of €33.7m.

A 25% increase in funding for the Town and Village Renewal Scheme taking it to €21m would be focused on securing community, artistic and cultural spaces.

It has been a long running target to grow the Walks Scheme to 80 routes, from the current 50, and we would deliver on this, and put in place a further €1m to deliver on a further 20 schemes.

- Community Services Programme (Living Wage and other measures) **€33.7m**
- Increase Leader Programme funding back to €55m a year **€7m**

• Increase SICAP Funding programme (over 4 years)	<b>€10m</b>
• Bring Charity VAT Compensation Scheme to €20m.	<b>€15m</b>
• 25% increase in the Town and Village Renewal Scheme.	<b>€4.3m</b>
• Finally bring Walks Scheme to 80 routes and fund another 20.	<b>€1m</b>

### **Sport**

We would allocate funding to promote the 20x20 gender equality campaign goals; promote inclusivity and access within sports clubs and organisations; and pilot funding to promote Labour’s ‘Football Manifesto 2020’ goals including educational programmes.

• Additional sports funding to promote gender equality.	<b>€6m</b>
• Double the number of athletes supported under the International Carding Scheme.	<b>€3m</b>
• Football Academy Programme in secondary schools.	<b>€11m</b>

### **Domestic Violence, Justice, Equality and Human Rights**

As recommended in the Zero Tolerance strategy, a statutory agency to address Domestic, Sexual and Gender Based Violence will be set up next year and Labour would provide establishment funding of €500,000 for this in 2023, rising to just under €4m in 2024. We would increase funding for Rape Crisis Centres by 20%, commit to multiannual funding and introduce statutory Domestic Violence leave.

To meet the Istanbul Convention recommendation of one family refuge place for every 10,000 of population, Ireland would need 476 places. The current government strategy is to double provision to 282 places, and that plan needs €9.6m of new current funding in 2023 which we provide for. A more ambitious multi-year plan is however necessary, and Labour would fund a further 50 emergency accommodation places in 2023 above current plans, providing €5m for operating costs, and €18m in capital funding, and continue to increase provision in the years after that. We also provide an additional €2m to support operating costs of existing refuges.

Labour calls on the government to commit to holding a referendum in 2023 to address the recommendations of the Citizens Assembly on Gender Equality on Articles 40 and 41 of the Constitution along with a proposed referendum on housing.

Labour would resource An Garda Síochána to recruit an additional 800 trainees in 2023 to help tackle the increase in anti-social behaviour, home burglaries and serious incidents of crime. We would also provide enough funding to meet the request of an additional net 429 civilian staff, thus freeing up more frontline Gardai to patrol our streets and keep our communities safe.

Labour would establish a dedicated forensic Unidentified Remains Unit and backs the call from the Irish Council for Civil Liberties for a funding package of nearly €9m that would invest in rights. This package would include a €3.3m increase in the Legal Aid budget, support staff for coroners, a public awareness campaign against hate crime and hate speech and funding to implement the Inspection of Places of Detention Bill.

• Establishment cost for statutory DSGBV agency.	<b>€0.5m</b>
• Funding for planned refuge spaces, and additional 50 places towards meeting commitments under the Istanbul Convention.	<b>€33m</b>
• Provide a 20% increase (€1.3m) in funding for 16 sexual violence and Rape Crisis Centres, commit to multi-annual funding, and an additional €2m for refuges and helplines to cover increased costs.	<b>€3.3m</b>
• Provide up to two weeks of statutory Domestic Violence Leave to victims of abuse.	<b>€1m</b>
• Resource the recruitment of 800 additional Garda trainees in 2023.	<b>€19.4m</b>
• Funding for an extra 429 Garda civilian staff.	<b>€9.4m</b>
• Establish a new forensic Unidentified Remains Unit.	<b>€1m</b>
• Investing in Rights package – Legal Aid Fees and other measures.	<b>€8.6m</b>

### **Citizenship and Integration**

Labour wants the system of Direct Provision abolished, but in the interim we would increase funding for payments, cut citizenship fees, and increase funding for integration.

There is an urgent need for offers of vacant buildings to be taken up by relevant Departments to ensure suitable accommodation is in place for Ukrainian refugees.

• Reduce Citizenship Fee to €200 and waive it for children.	<b>€4m</b>
• Raise Direct Provision payments to €50 per adult and €40 per child.	<b>€4.1m</b>

- Extend Child Benefit to children in Direct Provision. **€2.8m**
- New funding for the Asylum and Migrant Integration Programme. **€2m**

### Defence

Following the recommendations of the Commission on the Defence Forces report, we sought a Departmental costing of the current and capital expenditure budget increases needed to:

- meet the Level of Ambition 2 objective by 2028, as this level of investment is needed to protect and advance our defence forces;
- the costs of recruiting an additional 2,000 personnel, and;
- how much the introduction of Long Service Increments to the pay scales of all ranks of enlisted personnel, and replacement of the existing sea-going allowances with less complex sea-going duty measures would be.

The Department was not in a position to provide specific costings at this time. As an interim measure Labour calls on the government to further increase PDF allowances, including the Navy Patrol duty allowance from existing resources, and to address the longstanding dispute over the payment of the backdated Army Ranger Wing allowance. This would ensure retention of staff is prioritised, and recruitment enhanced.

### Foreign Affairs

Labour would fund a new Passport printing machine in Cork to address capacity issues costing a total of €7.1m and provide for a 10% increase in overseas development aid to take the overall allocation up to €1.14 billion in 2023.

- Increase funding for overseas aid, towards meeting Ireland's target of 0.7%/GNI. **€100m**
- Passport Printing Office for Cork (€6m capital). **€7.1m**



# APPENDICES

# LABOUR BUDGET 2023 - BALANCE SHEET

**Table 1 – Overview of Financial Commitments**

A. Government Initial Budget Package for New Measures.	€3.70bn
B. Labour Party Net Revenue Raising Measures.	€2.85bn
<b>Funding available for Increased Current Expenditure (A+B)</b>	<b>€6.55bn</b>
<b>Additional Capital Commitments outside NDP (<i>from surplus</i>)</b>	<b>€2.50bn</b>
<b>Total Labour Party Budget Package 2023</b>	<b>€9.05bn</b>

**Table 2 – New Capital Spending Commitments**

<b>HOUSING</b>	
Construction of an additional 2,900 social housing units in 2023.	€835m
Labour’s Affordable Housing and Cost Rental Plan.	€450m
Publicly owned cost rental student accommodation.	€100m
Community Infrastructure Fund.	€30m
Housing Adaptation grants.	€13m
<b>CLIMATE</b>	
Deep retrofitting programme of publicly owned housing.	€100m
SEAI solar installation grants.	€52m
SEAI grants (Better Energy, Warmer Homes, Community schemes).	€50m
Increased capacity for Public Transport, and Active Travel projects.	€50m
Retrofitting of schools and solar panel installation.	€30m
Agricultural schemes through TAMS II (Solar, LESS)	€27m
City Bikes Scheme expansion.	€26m
E-bike and Cargo Bike scrappage scheme.	€25m
Public Transport Accessibility Programme.	€14m
Alternatively Fuels Heavy-Duty Vehicle (AFHDV) Purchase grant.	€2m

<b>OTHER</b>	
Hospital capacity, nursing homes, residential care, and cancer care. centres	€590m
Additional school classroom capacity.	€39m
School Library Funding.	€20m
Funding for 50 new refuge places.	€18m
Funding to purchase and refurbish vacant units into cultural spaces.	€10m
Defibrillators in every school.	€6m
Cork passport printing machine.	€6m
Údarás na Gaeltachta.	€5m
Screen Ireland.	€2m
<b>Total</b>	<b>€2.5bn</b>

## NET REVENUE RAISING MEASURES

**Table 3 – complete list of proposed tax raising measures and tax expenditures**

<b>WEALTH TAXES – TOTAL</b>	<b>€1.56bn</b>
Triple the Bank Levy from €87m due in 2022 to a total of €260m in 2023	€175m
Withdrawal of Income Tax Credits on incomes over €100,000 (first year).	€270m
Abolish CGT Section 604A relief (based on 2020 figures).	€233m
2.5% increase Stamp Duty on Non-Residential Property to 10%.	€215m
0.3% increase in Stamp Duty on Shares to 1.3%.	€225m
Increase CGT by 3%.	€195m
Abolish CGT Entrepreneurial Relief.	€95m
Increase CAT by 3%.	€56m
End Special Assignee Relief Programme.	€40m



Increase Stamp Duty on house sales over €1m to 5%.	€40m
Increase Dividend Withholding Tax to 33% on REITS & IREFs (estimate).	€20m
<b>ENVIRONMENTAL TAXES - TOTAL</b>	<b>€1.04bn</b>
30% Windfall Levy on Energy Company profits (estimate).	€800m
€7.50 increase in Carbon Tax.	€165m
€50 a tonne levy on incinerator waste.	€75m
<b>OTHER TAXES AND EXPENDITURE CHANGES - TOTAL</b>	<b>€746m</b>
End refundable element of R&D tax credit.	€256m
Phase out Help to Buy Scheme and Shared Equity Scheme.	€230m
Improved tax collection rates.	€100m
50c increase in Tobacco Duty.	€56m
1% increase in Betting Duty.	€50m
€500 Vacant Housing Tax from 56,000 units (estimate).	€28m
HSE Recovery of Benefits and Assistance Scheme.	€16m
Increase Vacant Sites Levy to 10%.	€10m
<b>TAX EXPENDITURES - TOTAL</b>	<b>-€493m</b>
Refundable Carbon Tax Credit.	-€200m
Extend 9% VAT rate for gas and electricity bills for 2023 (estimate).	-€175m
Home Retrofit Tax Incentive.	-€40m
Restoration of trade union subscription tax relief.	-€37m
Remove VAT on newspaper sales.	-€18.5m
Increase Charity VAT Compensation Scheme to €20m.	-€15m
Tax relief for apartment defects.	-€7.5m
<b>Total</b>	<b>€2.85bn</b>

*Note: In several cases the Department of Finance would not or could not provide a costing or projected yield for a series of requests, including on Corporation Tax, and a proposed Wealth Tax.*



2 Whitefriars, Aungier Street,  
Dublin 2, Ireland. D02 A008  
Tel: +353 1 6784700  
Email: [info@labour.ie](mailto:info@labour.ie)  
[www.labour.ie](http://www.labour.ie)