



A New Deal for a Fairer Ireland

Labour's
Alternative
Budget 2022



OVERVIEW – LABOUR’S 2022 BUDGET STRATEGY

The people of Ireland need a new deal for a fairer Ireland that delivers for working people. A ‘pandemic dividend’ or bonus should be about more than a one-off cash payment and an extra day off work.

The Labour Party believes that a fairer, more equal Ireland must emerge from this period of crisis. That would be a real pandemic dividend that delivers a new social contract.

Thousands of lives have been lost because of Covid-19. Many thousands more have succumbed to the virus and are still feeling the effects. Feelings of isolation and hopelessness have been felt by many more. Nobody has been untouched by the pandemic. Jobs and businesses have been lost, with many never to return. Communities have been turned upside down. Old certainties have gone.

Politics and how we manage and grow our economy must change too. Have they learned the lessons of the Covid crisis? Are we content to go back to the old ways of doing things? It’s not just about how much money we spend, but how we spend it and what it delivers for our people. This is the real test of this government.

The world, and Ireland responded with solidarity and commitment to the challenge of a global pandemic.

Enormous credit is due to our health workers and so many other key workers across the public service and in the private sector for their selflessness and dedication throughout this unprecedented crisis.

When the worst came, it was that collective effort, purpose and dedication that cared for our sick, kept us all safe and fed, and educated our children. The pandemic magnified a lot of what was already wrong in our society and our economic model. To build back better suggests the recent past was a good place. For far too many, it wasn’t.

Comparatively low levels of public spending exposed major weaknesses in our health service. The gap between workers in high-paying jobs in the multinational sector and those in low-paid, precarious work in the ‘everyday economy’ has widened, with youth unemployment a serious problem again. Five years of failure by the last government to use our hard-won prosperity to build homes and control rents has led to insecurity and a dangerous divide in our society. The existential crisis that is the pandemic has prompted us to wake up to the fact that we in Ireland are climate laggards.

Covid-19 has made us all re-evaluate our lives. History shows us that global disruptions on this scale usher in era-shaping change. It is up to us how that change happens.

LABOUR’S BUDGET PRIORITIES

- Tackle the soaring cost of living, support workers and protect incomes.
- Deliver an Irish National Health Service and invest in disability services.
- Provide a new social contract with free education and public childcare.
- Drive a Just Transition by investing in retrofitting and active travel.
- Build secure and affordable homes and introduce a three-year rent freeze.

We have choices to make. More of the same, or a break with the past.

Nothing short of a New Deal for the people of Ireland is needed.

For Labour, that means a fair chance and opportunity for all. It means a focus on work, care, climate, and housing. Investment in the things that make our lives better and more secure, not exorbitant, and ideologically driven tax cuts at the expense of building universal services like a national public childcare service and a single tier health service.

It means an informed conversation on how we pay for the health services, education system and housing system we should demand to see in a decent society and productive economy.

This is the pandemic dividend the people of Ireland are entitled to expect.

Our Fiscal Approach

Ahead of Budget 2021, the Labour Party advised the government to do ‘whatever it takes’ to save jobs and businesses. The international fiscal and monetary conditions have allowed for money to be borrowed to cushion the blow of the pandemic. This was the right thing to do. All of the evidence has shown that social transfers such as the PUP and the EWSS has prevented people from falling into poverty and have helped support jobs and keep businesses afloat.

We also advised the government to use historically low interest rates and the medium-term suspension of EU fiscal rules to borrow to address the gaps in our housing, climate, health, public transport and our education infrastructure. Ireland is still playing catch-up.

That is why we would borrow a further €2.1 billion to frontload capital investment in these priority areas.

We note from the Summer Economic Statement that the government is committed to running a deficit up to 2025 and that, from 2023 on, it will borrow only for capital investment.

Labour has consistently said that there is no danger to the public finances or to investor confidence in Ireland from running a modest deficit to allow for capital investment in the building blocks for a fairer future.

It is critically important to remember that before the pandemic hit, general government expenditure was low compared to the countries we like to compare ourselves.

Strong growth of 5.25% (modified domestic demand) estimated for 2022 will grow our economy, create jobs, help reduce the debt burden and allow us to invest more taxes raised to address the gaps in our social infrastructure.

However, we note the stark warning from the Irish Fiscal Advisory Council. It is not sustainable that the government will borrow heavily, spend more on permanent expenditure increases and cut taxes all at the same time. Spending half a billion euro on tax cuts at this sensitive time in our recovery is wrong-headed and ill-advised.

The entire €1.5 billion in space available to fund new commitments would be more productively spent making childcare affordable, clearing HSE waiting lists and providing for better public transport. Now that would be of real benefit to working people.

The government must heed the warning from the Fiscal Council. This three-card trick was tried in the 2000s and we are still living with the consequences.

Corporation Tax

Ireland is precariously reliant on a corporation tax base that comprises 20% of our entire tax base. Labour, uniquely of the major political parties, has called on Ireland to sign-up to the OECD process of global business profits tax reform. This implies that our minimum effective rate of corporation tax on multinational firms with a worldwide turnover of over €750 million per annum will be set at 'at least 15%'. It has been clear that the days of a race to the bottom on corporation tax were nearing an end. Labour proposed that the government sign up to Pillar 2 of the process some time ago and argue from a position of strength that we should do so on the condition that the agreed rate would be 15% and no more. It is only at the eleventh hour of the process and having burned our bridges with key allies that the Minister for Finance is making this case.

While the inevitable changes coming down the track will not impact on the public finances for 2022, the situation for 2023 is likely to be different.

While Labour believes that the doomsday scenario painted by the Department of Finance of losses in excess of €2billion per year as a result of profits tax reform does not stand up to scrutiny (relying as it does on out of date figures) now is not the time to be narrowing the tax base with tax cuts.

Funding a New Deal for a Fairer Ireland

The government cannot have it every way. We cannot have European style public services and US style taxes.

All of the evidence shows that most wealth in Ireland is held in assets – not in workers' wages. Much of that wealth is in the hands of a relative few and is handed down the generations, setting the problem of economic inequality in stone.

While the Department of Finance was again unable to assist us in costing a targeted and well-designed wealth tax, Labour has shown how significant revenue can be raised by closing off or limiting poorly targeted and expensive reliefs used by relatively few in this country. We would raise €1 billion in solidarity taxes on wealth and high earners, and a further €400m from increasing and extending the Bank Levy.

In this way we can broaden, instead of narrowing the tax base, with charges and levies on non-productive wealth and assets that does not impact on work, job creation nor burden ordinary working families.

This would add a total of €2.1 billion to the resources available to us in Budget 2022 to chart a course to a better, fairer Ireland and a new deal for all the people of this country.

In total, Labour would provide €3.6 billion for targeted spending increases to provide for a new social contract and invest €2.1 billion in much needed projects for a total budget package of €5.7 billion that would deliver a New Deal for a Fairer Ireland.

A NEW DEAL FOR WORKERS

A Living Wage Country

The pandemic shone a light on the scandal of low pay in Ireland and it must finally be addressed. The government must put in place a clear pathway to a living wage of €12.90 to make Ireland the first Living Wage Country. As a first step, we are calling on the government to ensure every public servant is paid a living wage. It should also be a condition of all public procurement contracts that workers in those service providers are paid a living wage.

- A Living Wage for all Public Servants. **€1.5m**
- Restore tax relief for trade union subscriptions. **€27m**

Addressing the rising Cost of Living

Inflation reached 3% in August, the highest in years, while gas and electricity prices continue to soar, with multiple increases already from many suppliers. We are calling for a new Carbon Tax Credit to be introduced in Budget 2022, targeted at ordinary working families in poorly insulated homes. Combined with targeted increases in the fuel allowance and social welfare payments this will address the rising cost of living for those at risk of fuel poverty.

The Carbon Tax Credit for 2022 would be set at €200, would be refundable and allocated on a household basis. It would be available up to an income limit of €50,000 and 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 retrofitted and renewable energy generation increased.

To counter rising prices, we would also increase the weekly fuel allowance payment by €5 per week and restore the extra four weeks that were paid in 2020. Many people on long term social welfare payments are not eligible for the fuel allowance and we would increase the means test and expand eligibility for a further 130,000 households.

- Refundable Carbon Tax Credit (estimate). **€100m**
- Increase fuel allowance by €5 per week and provide four extra weeks. Worth an extra €272 to recipients. **€102m**
- Expand eligibility for Fuel Allowance for 130,000 households. **€138m**
- Fund for addressing utility debt with Exceptional Needs Payments. **€4m**

#SickPayforAll

Covid-19 may be under control, but Ireland is still one of five EU countries without a right to paid sick leave. The Labour Party will keep campaigning until the government acts on our proposals for statutory sick pay. We would increase eligibility for illness benefit to the second day and support small businesses to look after their workers. The hardship fund would provide 50% support for over 180,000 days of paid sick leave at the average wage.

- Increase Illness Benefit to 2nd day. **€15m**
- SME Hardship fund for paid Sick Leave. **€10m**
- Paid Sick Leave for Childcare workers. **€6m**

Providing Paid Leave when it matters

We would double the length of dedicated paternity leave available to new fathers up to four weeks. We would also provide for a further 3 weeks of paid parental leave. 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 to 4 weeks. **€13.5m**
- Provide for an extra 3 weeks of parent's leave taking it to 8 weeks. **€22m**
- 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 €50 top-up, and the removal of waiting days for Jobseekers Benefit.

- 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. **€22m**
- Introduce ObairGhearr - a Short-Term Working Scheme.

As pandemic support measures are phased out the Employee Wage Subsidy Scheme (EWSS) must be remodelled into a permanent fixture in our labour market 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 will 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.

Protecting Young People

Young people have been hardest hit by the economic fallout of Covid-19. We need a New Deal for a New Generation with a State-backed Youth Guarantee (building on the EU YES scheme) that ensures that everyone under 30 who is not already in education or work should be guaranteed an offer of decent work and/or training.

- Restore full adult Jobseekers to those under 25. **€65m**
- Provide Education Allowance to all BTEA applications. **€3.8m**
- Net investment into upskilling and retraining for 28,000 places. **€27m**
- Increase funding for youth work services by 5%. **€1m**

Protecting Fixed Incomes and Older People

Social welfare payments have not increased since 2019, while the cost of living has soared. To make up for this we would apply a €7.50 increase to all social welfare payments, ensure payments automatically rise with inflation in future years, and target future additional increases to meet a Minimum Essential Standard of Living (MESL).

- Increase weekly Social Welfare Payments by €7.50 per week. **€587m**
- Introduce pension transition payment for over 65's. **€127m**
- Increase the Living Alone Allowance by €6 to €25 per week. **€69.6m**

Additional Disability and Jobseeker supports

- Phased two-year introduction of a **Cost of Disability Payment** starting with €10 in 2022 for recipients of Invalidity Pension, Partial Capacity Benefit, Disablement Pension, Blind Pension, Disability Allowance and Injury Benefit. **€115m**
- Increase the income disregard for Disability Allowance to €160. **€6m**
- 1,000 extra places in Employability to support those with disabilities into the workplace. **€3.3m**
- 1,000 extra places on the disability Wage Subsidy Scheme. **€6.3m**
- Additional 2,000 JobsPlus places. **-€11.8m**
- Double Community Employment and Tús top-up (€22.50) **€29m**
- Increase CE Material and Training grants by 10%. **€2.2m**

Supporting Carers

During this pandemic Carers have ensured many people have been 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 to support their invaluable work.

- Increase Income Disregards to €450 (single) and €900 (couple). **€31m**
- €150 increase in Carers' Support Grant to €2,000. **€21.5m**

Public Sector Pay Issues

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. We are providing a package of €150 million for a series of outstanding issues we want to see addressed including:

- Fair pay for our student nurses and midwives.
- Resolving pay inequality in the Public Service for teachers, consultants, public health doctors, lab assistants, school secretaries and caretakers, and other grades.
- Increased allowances and core pay for Defence Forces personnel including an increase in the Navy Patrol duty allowance to €100 per day (€2m) and the payment of backdated allowances owed to the Army Ranger Wing (€2.6m).

A NEW DEAL FOR CARE

PROTECTING OUR HEALTH

Now is our opportunity to finally deliver a single tier health system. Labour will begin the rollout of an **Irish National Health Service**, starting with major investments in community healthcare, disability and mental health services to take the pressure off our hospitals and end historical staff shortages to support our frontline heroes.

The pandemic showed us what was possible when the resources are deployed to the right places. The lack of political commitment to Sláintecare is deeply concerning. We must invest to protect public health and address unmet needs. We support the ongoing retention of increased funding provided for frontline services in 2021. We would provide an additional €550m in capital investment, and €800m extra in current expenditure next year.

In 2020 the State effectively nationalised the healthcare system overnight, and we are proposing to purchase the equivalent of **two private hospitals** to expand public capacity and tackle waiting lists. Outsourcing services will never deliver the adequate capacity we need. 900,000 people, of which over 100,000 are children shouldn't have to wait for care.

Diagnostic care is better delivered in the community, but we want it publicly provided. Ireland is also currently the only EU country without a universal primary care system of free GP care, and this is at the root of the inefficiencies and inequalities in our healthcare system.

This year we have also focused on meeting the massive unmet demand for disability services which requires an all-in investment of €350m in 2022.

Capital Investment

Labour would provide an additional €550 of capital investment into health as the first step towards building an Irish National Health Service, and accelerate the budget committed within the National Development Plan, targeted in 2022 at primary care, community diagnostics, maternity services and long needed acute and critical care beds in our hospitals. We would nationalise the equivalent of two private hospitals to immediately expand public capacity to allow us effectively tackle waiting lists.

- Nationalise two private hospitals. **€450m**
- 200 additional public hospital beds (capital and current) **€76m**
- Public nursing homes, residential care, and cancer care centres. **€24m**

Disability Services

As outlined in the recent Disability Capacity Review, an investment of €350m is needed in 2022 to meet demographic and unmet demand. €80m of this total requirement relates to demographics and is already provided for, but as outlined in the report we would allocate a further €270m to meet existing unmet demand as follows:

- 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

General Service Improvements

- Home Support Service – €28m to address every identified need and €32m to fund a 5% increase or 1.2m in additional home help hours. €60m
- New Mental Health funding, including a dedicated stream for Child and Adolescent Mental Health Services (CAMHS), and €4m for the delivery of 16 Eating Disorder Teams. €85m
- Community Diagnostics and Assessment Hubs (includes €7m cost for direct GP access to echocardiograms). €37m
- Greater Medical Card provision with 7% income limit increase. €20m
- Cancer Services, Cancer Screening and cardiac care backlog. €18m
- Free GP care for all children, and GP contract funding. €80m
- Pay funding for Section 39 organisations (total cost €48.1m). €30m
- Free Contraception Service (first year cost). €40m

Targeted Service Improvements

- Provide free Winter Flu Vaccine to 50-64 year olds. €20.7m
- Increased funding for maternity services, employing an extra 100 midwives and 10 obstetricians. €8m
- Add Asthma to the Long-Term Illness Scheme. €17.3m
- Restore at-home developmental checks and recruit an additional 150 Public Health Nurses. €10.3m
- Three community neuro-rehabilitation teams and supports. €5.4m
- Funding increases for dementia supports. €4.7m
- Increased funding for five new emergency ambulances. €5.8m
- End period poverty with free-of-charge sanitary products. €5m
- Fully resourced acute stroke units (over 3 years). €3.6m
- Fund implementation of National Breastfeeding Action Plan, recruit an additional 10 lactation consultants and develop a Milk Bank. €3.5m
- HPV Vaccine catchup programme and older cohort rollout. €3m
- Type 1 Diabetes funding for continuous glucose monitors. €2.5m

Reducing Out of Pocket Costs

- Phase out prescription charges over two years. €30.5m
- Reduce Drug Payment Threshold from €114/month to €100/month. €11.5m
- Reduce hospital inpatient and outpatient charges by 50%. €31m

A NEW UNIVERSAL CHILDCARE MODEL

Labour would develop a universal public childcare system starting with a €60m pilot in 2022. This new approach is defined by equality for children, affordability for parents and fairness for professionals. We would ensure every childcare worker is paid a living wage and is entitled to sick pay. With the cost of living and childcare rapidly rising we would also increase the universal subsidy by €1 per hour resulting in a direct annual saving for parents of €2,340.

- Rollout first stage of our Universal Public Childcare Scheme. **€60m**
- Ensure a living wage of €12.90 per hour for childcare workers. **€27m**
- Sick Pay for childcare workers. **€6m**
- Increase NCS universal subsidy to €1.50 per hour. **€36.7m**
- Address anomalies in the National Childcare Scheme. **€5.7m**

INVESTING IN EDUCATION

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

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. The pandemic has highlighted once again that we have too many children in each classroom, and we will increase funding for the running of schools.

- Reduce Primary School classes from now by 1 point to 22. **€14.5m**
- Cut class size ratio in DEIS schools to 15:1 (first year cost). **€6.7m**
- Reduce secondary school class sizes by 1 point (first year cost). **€18.8m**
- Capital investment for additional school classrooms. **€37m**
- Increase capitation for primary schools to €208 per child and restore secondary schools to pre-2010 level (first year costs). **€8.3m**
- Provide an additional 50% in capitation funding to DEIS schools. **€21.1m**
- At least one admin day per week for teaching principals. **€5.7m**
- Double supports under the National Educational Psychological Service (first year cost). **€5m**
- Introduce Teacher Substitute Panels. **€4.9m**
- Increased investment in Autism and ASD units. **€5m**
- Implement the National Traveller Education Strategy. **€1m**
- Provide a defibrillator for every school. **€6m**

Catch-Up Scheme for Children and reduce Child Poverty

Labour would use targeted social welfare increases to reduce child poverty, and we would fund the creation of a dedicated Departmental team focused solely on that goal and double the size of the Catch-up Scheme to €100m.

- Increase the Qualified Child Payment for Social Welfare payments by €10 for children aged 12 and over, and to €40 for children aged under 12 (€2 increase). **€88m**
- Increase Catch-Up Scheme for Children to €100m. **€50m**
- Dedicated Departmental team to address child poverty. **€2.5m**
- Extend Area Based Childhood programme to 5 new locations. **€3.5m**

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.

- Free of charge books at primary and secondary level. **€40m**
- Universal Back to School Clothing and Footwear Allowance. **€135m**
- Rollout of Hot School Meals to every school over 10 years (First year cost). **€47m**
- Abolish school transport fees and ensure a bus place for every child that needs one under the scheme. **€12m**
- Extend Child Benefit to 18-year olds in second level education. **€60m**

Third Level Education

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 fully publicly funded education.

- Reduce Student Contribution fee by €1,000 from now. **€83.5m**
- Increase SUSI grants by 10%. **€16.5m**
- Restore SUSI non-adjacent rate to 24km. **€28.5m**
- Reinstate postgraduate grants (First year cost). **€13m**
- Retain €8.1m Covid-19 top-up in Student Assistance Fund and increase Fund for Students with Disabilities. **€1m**
- Abolish PLC and Apprenticeship Fees. **€8.7m**
- Increased funding for third level institutions equivalent to a 1-point reduction in the staff/student ratio. **€37m**

A NEW DEAL ON CLIMATE ACTION

Despite the publication of the revised National Development Plan we are still waiting for the Climate Action Plan, carbon budgets and the National Retrofitting Plan. Ordinary workers and their families must benefit from climate action with a Just Transition. The Labour Party has proposed a range of measures to protect ordinary workers and families from rising utilities prices and the impact of the Carbon Tax.

Labour would roll out a national retrofitting programme and provide **free public transport for children and students**. We would frontload investment in active travel and city bike schemes and introduce a new tax incentive modelled on the Home Renovation Incentive, but available to households earning less than €100,000. Making our homes warmer will create jobs and reduce carbon emissions for a just transition. Completion dates for flagship public transport projects like MetroLink must be confirmed and delivered on.

Energy Efficient Homes and Buildings

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| • National Home Insulation & Public Retrofitting Programme of social housing for 3,000 homes per year (capital). | €100m |
| • 10% increase in Warmer Homes Scheme to cover an extra 500 homes and cover cost of new doors (capital). | €13m |
| • Better Energy Grants to 50% of Cost (capital). | €14m |
| • 33% increase in Community Energy Grant Scheme (capital). | €10m |
| • Home Retrofit Tax Incentive to encourage energy efficiency work. | €40m |
| • School retrofitting and solar panel installation over 10 years (capital). | €24m |

Public Transport

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| • Accelerated capital for public transport and active travel projects. | €76m |
| • Free public transport for children and students. | €87m |
| • Cap Leap fares for regional city routes, extend short hop zones, and expand the list of commuter stations and towns. | €1.1m |
| • 50 cent subvention per trip for city bikes (€2m), expansion of city bikes schemes, and rollout to Waterford and five new towns. | €28m |
| • Introduce a new 'Bike to School' tax scheme and a personal and business grant scheme for cargo and e-cargo bikes capped at 40%. | €1m |
| • Rural Hackney Service and increased funding for rural link services. | €4m |
| • Make public transport fully accessible over ten years for people with disabilities (first year funding - capital). | €14m |

Just Transition, Air Quality, Biodiversity and Sustainability

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| • Double Just Transition Fund to fund a further 60+ projects. | €29m |
| • 38 new stations in EPA real time air quality monitoring network. | €4m |
| • Increase National Park and Wildlife Service funding by 20%. | €4m |
| • New sustainability projects in the Community Services Programme. | €5m |

A NEW DEAL ON HOUSING

The pandemic has exposed the social cost of high rents, insecure housing and proved the need for an increased role by the State in the provision of housing. Caught in a cycle of ever rising rent and house prices, young people have lost hope of ever affording their own home. 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. We will protect renters and end speculative land hoarding.

Social and Affordable Housing Provision

Housing for All still doesn't deliver enough State-led social and affordable housing. Labour wants this increased to 20,000 homes per year to address existing need and unmet demand. We would build a further 2,000 social homes in 2022 in addition to the targeted 10,000 under all delivery streams that are funded for next year under the NDP. The government is also proposing a further 2,100 affordable homes in 2022. Under Labour's Housing Plan we would also establish a fund to provide increased levels of affordable housing over 5 years, starting with €5 billion from the Ireland Strategic Investment Fund and €500m of annual seed capital. We would also ensure allocations for traveller accommodation are spent by local authorities. Our allocation of €100m for retrofitting will bring a further 3,000 council homes up to a B2 BER rating every year building on the 2,400 funded in 2021.

- Build an extra 2,000 local authority homes on publicly owned land in 2022. (All in cost, Capital). **€635m**
- Seed financing for at least 4,000 affordable rent, and 4,000 affordable homes per year through Labour's Housing Plan. **€500m**
- Community Infrastructure Fund for local authority and AHB building projects over 50 units. **€30m**
- Increase social housing income limits by 20%.

A Fair Deal for Renters

- Ensure every new HAP tenancy is inspected within 12 months and that 25% of all tenancies inspected per year. **€11.7m**
- Introduce a three year rent freeze, restrict evictions, and develop a Rent to Buy scheme.

Other Housing Measures

- 20% increase in funding for Housing Adaptation Grants and urgently review project spending limits factoring in construction inflation. **€12m**
- Redress Fund for Construction Defects. **€20m**
- Tax relief for remediation costs of owner occupiers and AHBs in multi-unit developments. **€7.5m**
- Increased allocation for Housing First and procurement of one bed homes; and a ringfenced fund for children, on-site childcare and educational supports in family hubs. **€15m**

End Speculation and Land Hoarding

- Increase Vacant Sites Levy to 10%, enforce it, and ringfence resources in councils to register and inspect vacant sites.
- 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.
- Introduce a vacant housing tax and improved CPO powers and funding for local authorities to repurpose empty homes.
- 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.

Yield:
€27m

Tackling Domestic Violence

- Provide an additional 338 refuge spaces to meet commitments under the Istanbul Convention.
- Provide a 20% increase in funding for 16 sexual violence and Rape Crisis Centres.
- Provide up to two weeks of statutory Domestic Violence Leave to victims of abuse.

€34m

€1.1m

€1m

OTHER SPENDING MEASURES

Supporting the Arts and Culture sector

Now is the time to trial a basic income scheme for the Arts and to repair the damage caused by the pandemic.

- Pilot Basic Income Scheme for 1,000 participants. €9m
- Additional Arts Council Funding up to €150m. €20m
- Funding for Local Authorities to buy and refurbish vacant properties for cultural purposes. €5m
- Additional Culture Ireland Funding up to €7m. €2.4m
- Extended opening hours for National Cultural Institutions. €1.3m
- Increased Irish language and Gaeltacht funding. €8m
- Funding for Raidió Rí-Rá. €1m

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.

- Reduce Citizenship Fee to €200 and waive it for children. €4.3m
- Raise Direct Provision payments to €50 per adult and €40 per child. €3m
- Extend Child Benefit to children in Direct Provision. €2.6m
- Additional funding for integration of migrants and refugees. €1m

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. €6m
- Double the number of athletes supported under the International Carding Scheme. €3m
- Football Academy Programme in secondary schools. €11m

Justice

- Establish a new forensic Unidentified Remains Unit. €1m

Foreign Affairs and Trade

- Increase funding for overseas aid, towards meeting Ireland's target of 0.7%/GNI. €100m

Agriculture

- Early retirement scheme for farmers. €9m
- Additional Farm Safety Funding. €0.5m
- Funding for carbon reduction and sustainability pilot projects. €4.5m

ALTERNATIVE BUDGET BALANCE SHEET 2022

Table 1 – Overview of Financial Commitments

A. Government proposed Initial Budget Package.	€1.5bn
B. Labour Party Net Revenue Raising Measures.	€2.1bn
Funding available for Increased Current Expenditure (A+B)	€3.6bn
Additional Capital Commitments outside NDP (<i>from borrowing</i>)	€2.1bn
Total Labour Party Budget Package 2022	€5.7bn

Table 2 – New Capital Spending Commitments

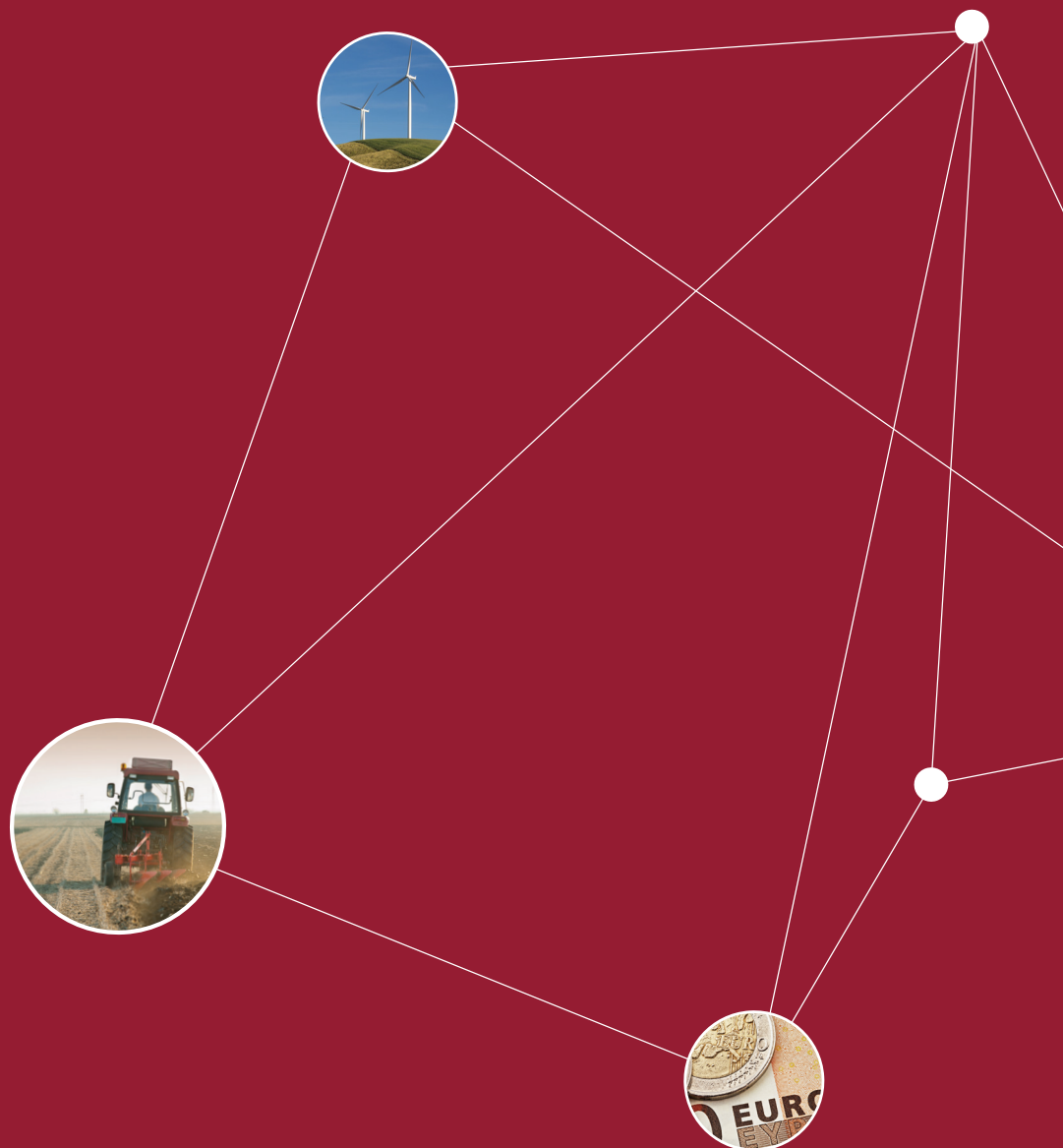
Construction of an additional 2,000 social housing units in 2021.	€635m
Labour's Affordable Housing Plan – seed funding.	€500m
Purchase of two private hospitals.	€450m
Deep retrofitting programme of publicly owned housing.	€100m
Additional Public Hospital Beds.	€76m
Sustainable Public Transport and Active Travel projects.	€76m
Additional school classroom capacity.	€37m
SEAI grants.	€37m
Additional Refuge places.	€34m
Community Infrastructure Fund.	€30m
City Bikes Scheme expansion.	€26m
Retrofitting of schools and solar panel installation.	€24m
Public nursing homes, residential care, and cancer care centres.	€24m
Redress fund for Housing Defects.	€20m
Public Transport Accessibility Programme.	€14m
Housing Adaptation grants.	€12m
Funding to purchase and refurbish vacant units into cultural spaces.	€5m
Total	€2.1bn

NET REVENUE RAISING MEASURES

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

WEALTH TAXES – TOTAL	€1.40bn
Retain and increase the Bank Levy to €400m annually.	€400m
Withdrawal of Income Tax Credits on incomes over €100,000 (first year).	€232m
Abolish CGT Section 604A relief.	€177m
2.5% increase Stamp Duty on Non-Residential Property.	€150m
0.3% increase in Stamp Duty on Shares.	€120m
Increase CGT by 3%.	€99m
Abolish CGT Entrepreneurial Relief.	€95m
End Special Assignee Relief Programme.	€42m
Increase CAT by 3%.	€40m
Increase Stamp Duty on house sales over €1m to 5%.	€30m
Increase Dividend Withholding Tax to 33% on REITS & IREFs.	€18m
ENVIRONMENTAL TAXES – TOTAL	€183m
€7.50 increase in Carbon Tax.	€105m
€50 a tonne levy on incinerator waste.	€75m
OTHER TAXES AND SPENDING CUTS – TOTAL	€692m
End refundable element of R&D tax credit.	€200m
Abolish Help to Buy Scheme and Shared Equity Scheme.	€250m
Improved tax collection rates.	€100m
50c increase in Tobacco Duty.	€56m
1% increase in Betting Duty.	€50m
Increase Vacant Sites Levy to 10%.	€27m
HSE Recovery of Benefits and Assistance Scheme.	€16m
TAX EXPENDITURES – TOTAL	-€174.5m
Carbon Tax Credit.	-€100m
Home Retrofit Incentive.	-€40m
Restoration of trade union subscription tax relief.	-€27m
Tax relief for apartment defects.	-€7.5m
Total	€2.1bn

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.



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