

**BUILDING
BETTER
TOGETHER**

**ALTERNATIVE
BUDGET 2026**

Labour 

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INTRODUCTION

LABOUR'S 2026 BUDGET STRATEGY

BUILDING BETTER TOGETHER

FF and FG wasted a boom. We can do better, but only if the right choices are made.

On the face of it, Ireland is doing well. We have record numbers of people at work, and record corporation tax receipts.

Under Fianna Fáil and Fine Gael, we are breaking the wrong records, too.

Record child homelessness and shameful levels of child poverty.

Ireland is a rich country that feels so poor for far too many of us.

The story of the last decade has been one of missed opportunities.

A catastrophic failure to use the wealth we have generated to build the homes we need, develop the infrastructure deserving of a rich and ambitious nation and tackle climate change and energy insecurity by delivering a renewables and retrofitting revolution.

For the first time in the history of our State, we have the resources we need to truly build a better, more secure and resilient Ireland.

This budget must mark a turning point in the fight against child poverty.

Our fully costed alternative budget focuses on delivering world class public services fit for a rich Republic, not expensive and untargeted tax cuts and reliefs.

The message is clear. We cannot continue to dip in to the pot of unreliable business tax receipts to pay for increases in spending on day-day-services and to fund tax cuts, and ultimately expect a good outcome for our country.

It is time for honesty – not just from the government, but from all of the opposition, too.

The warnings are clear. The economy is running hot and where Labour proposes to spend more, we show how we would generate the revenue to support additional, targeted spending by closing off expensive tax reliefs and raising taxes on wealth and non-productive assets, and in a way that will not impact on enterprise and job creation.

Here are just some of Labour's key proposals:

- A children's budget to end child poverty with an allocation of €770m for a targeted second tier of child benefit, supported by not reducing VAT in the hospitality sector.
- 6,000 new childcare places in 104 centres on the way to a public childcare service and a reduction in the costs to parents to €50 a week, over two years.
- €16 per week increases to core, weekly social welfare rates and the indexation of personal income tax and USC rates to take account of inflation and wage growth.

- Targeted energy support payments to 1.2m households, paid for with a windfall tax on the profits of energy companies and data centres.
- Investment in an extra 6,000 social and affordable homes in 2026 and comprehensive action to reduce child homelessness, vacancy, and dereliction.
- Free GP care for all children to be brought in over two years with a step-change in approach to the delivery of GP and primary care services and investment in new hospital beds.
- The introduction of DEIS+, increased funding for schools to end voluntary contributions and a permanent €1,000 cut to third-level fees.
- A sea change in energy efficiency upgrades, reduced public transport fares and the expansion of investment in public transport and active travel.
- Abolition of the means test on Carer's Allowance and the introduction of a Cost of Disability Payment.
- Real support for SMEs with energy supports and an increased cost of business grant for Main Street firms.

Responsibly Funding Labour's Budget Package

Our alternative budget sees net revenue increases of €3.2bn set out in the appendix, in line with measures we have advocated for over the last three years. This will allow for the sustainable expansion of state services and investment with new current and capital spending measures. Our package provides for net current spending increases of approximately €6.5bn exclusive of existing level of service costs, and additional capital spending of €1bn above published NDP ceilings.

Similar to other parties and working from estimates sought and received from the Parliamentary Budget Office (PBO), we have allocated a total of €3.1bn for 2026 to maintain existing levels of service in health, education and across all other government spending lines. This includes agreed public sector pay hikes next year.

If we wish to spend more to fund the sustainable services and supports society needs, Labour is clear that the tax base needs to be broadened, and in a way that does not impact on the productive economy.

Our vision means cutting costs for families, not excessive tax cuts that may need to be reversed in short order.

Where we do adjust income taxes, we do so on the basis that a middle-income worker who gets a modest pay rise in 2026 ought not to be paying more tax next year, than they did in 2025. A number of targeted tax relief measures are also included to reduce costs and support stretched budgets.

Unlike the government, we will not use in excess of €600m to reduce VAT for the hospitality sector. We would, for example, redirect €225m from the winding down of the house inflation-inducing Help to Buy scheme to investment in public services instead. We would also collect

€500m net in an increased Bank Levy and raise close to €200m via a 2.5% increase in Stamp Duty on non-residential property as an incentive to redirect construction activity towards housebuilding.

With the concentration risks involved due to Ireland's excessive reliance on corporation tax and income tax in an ever more volatile global trading environment, it is high time the Commission on Taxation & Welfare's expert report's recommendations on rebalancing the tax base were dusted down and taken seriously by this administration.

Labour has been vocal in expressing our concerns in relation to management of the public finances, especially in light of the accepted risks to the sustainability of our tax base. We have been here before, and it is noteworthy that Labour is the only opposition party to have supported the creation of the Future Ireland Fund and the Climate, Nature and Infrastructure Fund.

Budget Transparency

The budget planning process has become less, not more transparent. The Summer Economic Statement lacked detail and was published with little regard to the impact of a new US tariff regime.

The revised National Development Plan was threadbare, and the Medium-Term Expenditure Framework published three weeks ago, contained no spending ceilings. For 13 consecutive years, corporation tax forecasting from the Department of Finance has been off course. Significant overspends in government departments have seen a succession of Ministers march into the Dail seeking approval for money to cover massive cost overruns, relegating successive budgets in recent years to works of fiction.

Added to all of this, the way in which the cost of maintaining Existing Levels of Service (ELS) is presented is inconsistent and opaque, adding to this government's growing credibility problem.

On Budget Day, the government must publish a five-year Medium-Term Fiscal and Structural Plan with a commitment to a form of a net spending rule and departmental spending ceilings for each of the years out to the next general election.

It is unprecedented this year that no official estimates have been provided to the Opposition and the public on ELS, demographics, carry over costs or public sector pay costs for 2026 either in the SES or through the Budget costing process or Parliamentary Questions. This undermines the ability of the Dáil to hold the government to account. Our sense is that the government is inflating voted expenditure in advance of having to set the binding medium term fiscal plan.

In order to keep government honest on tax and spending, and to bring more transparency, scrutiny and openness to the annual estimates and budget process, Labour will shortly publish a Bill to establish a new office of the "Dáil Éireann Commissioner for Estimates" to enhance and support the constitutional role of Dail Eireann in examining proposed spending from the Executive.

Capital Spending

There remains great uncertainty about the composition of the capital budget for 2025. The revised NDP did not include capital vote ceilings for 2025. Two supplementary estimates for housing have already added over €1.4bn to the budget for social and affordable housing in 2025.

Analysis by the Labour Party of the gross capital allocation shows that the NDP and SES is predicated on a capital investment spending increase of €2bn next year from a base of €17.1bn to €19.1bn. However, following all the extra estimates to date, nearly €500m of capital spending for 2025 remains unallocated and unaccounted for. This is an extraordinary way to plan for investment and indicates a lack of credibility and transparency from the Department of Public Expenditure.

As outlined through our proposals there remains significant capital underinvestment in the current NDP for health, climate, housing and education. We provide for an additional €1bn of capital spending from our funded Budget package, in addition to the available €2.5bn of unassigned investment.

Windfall Gains and Equity Funding

In 2025 Labour outlined our proposals on how we would deploy the Apple Tax Windfall escrow funds of over €14.1bn. The opaque nature of the NDP provides little clarity on how this windfall, and the proceeds from the sale of bank shares and windup of NAMA are being deployed. For example, NAMA will provide a gain of €1.2bn between 2024 and 2025, while €8.7bn was raised from AIB share sales since 2022 with €4bn of that over the last two years.

Equity funding of €5.5bn is provided to Uisce Éireann, Eirgrid and ESB this year with little or no oversight or transparency on how that is being deployed. A further €2.5bn will be made available for water infrastructure over the next five years. As the PBO has outlined, there is significant uncertainty over how these once off investments will be accounted for under European rules.

Revising our long-term proposals for the Apple escrow funds and other windfall gains on the basis of what we know of government decisions, we reiterate plans in our Budget this year for the deployment of a further €12bn of windfall gains over the next decade for affordable housing, public transport, retrofitting and health transformation.

Labour also continues to advocate for State funds in the ISIF and Future Ireland Funds to be directed, on a commercial basis, to support long term investment in critical areas for the Irish economy including offshore wind, and low-cost sustainable finance for Approved Housing Bodies.

COST OF LIVING



COST OF LIVING

The cost of food, energy and housing continues to rapidly increase, while more and more children fall into poverty. Budget 2026 must provide real and substantial relief for families and workers, and a dedicated focus on child poverty. While official inflation has fallen, households and businesses are struggling with the permanently increased cost of living and higher bills.

We know once off payments didn't, and won't address underlying poverty or lack of access to healthcare, education, and other public services. Labour has proposed a comprehensive cost of living action plan to tackle price gouging, lower grocery prices and protect incomes against inflation, that we urge the government to adopt. For this Budget we are proposing a wide-ranging series of targeted measures with a focus on energy poverty, low-income families, renters, students, and those on fixed incomes.

LABOUR'S COST OF LIVING PACKAGE

It was dishonest for the government for three years in row to repeat a series of so called once off social welfare and energy measures to hide from the fact that underlying payment rates were inadequate. There were no rate changes in Budget 2024 or 2025 to the permanent rates of the Household Benefits package, Living Alone Allowance, Fuel Allowance or Child Benefit to take four examples.

As we demonstrate in our package this year again, by using counter-cyclical, targeted revenue raising measures to sustainably expand the resources of the State, it is possible to deliver substantive support to people's incomes and improve public services. In Budget 2026 our plan demonstrates that:

- Targeted energy payments can be made to 1.2m households.
- The Student Contribution Charge can be permanently lowered by €1,000.
- The rate of the Living Alone Allowance, Fuel Allowance, Cost of Disability and Child Support Payment can be permanently increased at, or above the rate of last year's one-off payments.
- Increases to social welfare rates, and income tax bands and credits can be made in line with, or above inflation and wage growth.

DRIVING DOWN HIGH ENERGY COSTS

Ireland has some of the highest household electricity prices in the EU with double digit percentage increases kicking in this winter from most suppliers. Targeted energy payments must be an essential part of the Budget, along with a concerted effort from government to drive down energy prices due to the impact on households and businesses.

Labour is proposing a series of targeted measures that we fund from a levy of 20% on windfall energy company profits and a €20/Mwh surcharge on data centres which we know are driving up prices by soaking up new supplies of renewable energy. These would raise over €600m for targeted measures to support 1.2m households, including:

- Fuel Allowance increases worth €436 supporting 410,000 households (€180m).

- Extension of the Fuel Allowance to Working Family Payment recipients supporting 46,000 households (€40m).
- An increase to the Household Benefits package worth €120 supporting over 520,000 households (€63m).
- Introduction of a targeted Energy income tax credit worth €400 supporting over 675,000 households (€270m).

The refundable Energy income tax credit would only be available to those not in receipt of the Fuel Allowance and with a household income less than €80,000 and a home with a BER rating of less than B2 (if available). The government has had over three years to come up with an alternative to untargeted energy credits and address high energy costs. In Budget 2026 it must finally act decisively to address the impact of embedded and rising energy prices on low- and middle-income working families.

We would also adopt the proposal from IBEC for the State to boost energy competitiveness in the short term through a direct state subvention to absorb the cost of increased network charges. We would provide €250m to allow for the Public Service Obligation of €162m for 2025/26 to be removed from bills of households and most businesses, and have the State also absorb a portion of the increased network transmission charges on households only. Large energy users and data centres would not be eligible for this relief.

In addition to these measures, Labour would extend the 9% VAT rate on electricity and gas bills until the end of 2026 and remove the extra charges for the quarterly and half yearly payment of Motor Tax which penalises those unable to pay the full rate upfront.

• State subvention for PSO and network charges to reduce household energy bills and boost energy competitiveness for business.	€250m
• Extend the 9% VAT rate on gas and electricity bills for 2026.	€254m
• Remove Motor Tax charge for quarterly & half-yearly payments.	€35m

Driving down the cost of electricity, increased rollout of retrofitting and more rapid development of renewable energy will eventually remove the need for targeted reliefs, and in our Climate proposals, Labour outlines our transformative plan to achieve cheaper energy for Ireland and warmer homes.

ADDRESSING ENERGY POVERTY

As mentioned above, Labour has provided for a series of targeted supports to help households most at risk of energy poverty. The ban on utility disconnections must be extended and long-term action taken to tackle persistent energy poverty.

The Household Benefits package is paid to over half a million households including all over 70's and has not been changed since 2013. 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.

There has been no increase in the base rate of fuel allowance since October 2021. Instead, the government has relied on once off payments. Fuel costs are not falling so permanent increases are needed. We provide for a €9.50 a week increase to the weekly payment

to restore purchasing power and extend the payment by an additional four weeks. This is equivalent to an overall increase of €436. We would also extend eligibility for the Fuel Allowance to recipients of the Working Family Payment, and ensure it supports the living arrangements of Traveller families. We also provide for a 10% increase in funding for Additional Needs Payments to give more help with utility debt.

Access to in-person face to face public services is a vital support for vulnerable and older people. Labour would recruit an extra 50 Community Welfare Officers who would be available to meet people, and visit them in the community to ensure those in need have direct access to social welfare supports. We would also use the Social Protection budget to protect the Post Office network and expand and restore Citizens Information Centres.

• Increase weekly rate of Fuel Allowance by €9.50 and provide for an extra four extra weeks.	€180.5m
• Increase by €10 the monthly Household Benefits Gas or Electricity payment to €45.	€63.2m
• Expand eligibility for Fuel Allowance to recipients of Working Family Payment and Traveller families.	€40m
• 10% increase in Additional Needs Payment fund to provide ENPs and UNPs for relief from utility debt.	€8.1m
• Recruit an extra 50 Community Welfare Officers.	€4.7m
• Use the Social Protection Budget to protect the Post Offices network and expand Citizen Information Centres.	
• Extend Winter Ban on Utility Disconnections through 2026.	

INDEXATION OF INCOME TAXES

As outlined in Table 2 of the Appendix, under a Labour Budget we would ensure no net significant reduction in the balance of income and payroll taxes. Our spending plans provide for the indexation of income tax and USC credits and bands at a rate of 3%, equivalent to the average of inflation and expected wage growth. The benefit of this would be clawed back from high earners through the withdrawal of tax credits on incomes over €100,000. This would ensure low and middle-income earners retain the benefit of salary increases, along with the support of our refundable Energy income tax credit and a doubled rent tax credit.

Labour would introduce a legally binding commitment that as part of the annual Budget process, proposed increases to social welfare payments and changes to income taxes are indexed in line with a basket measure of inflation and wage growth and these would be published in July and then confirmed in October. The level of increase would be independently confirmed by the Fiscal Advisory Council. Any additional rise on top of that would then be confirmed as part of the Budget process so people will know if they are receiving real increases in their purchasing power.

To ensure the sustainability of our social insurance system and address Ireland's under-taxation relative to the EU average we would move to increase Employer's and self-employed PRSI with a 0.5% increase in 2026. Now is the right time to act with Ireland experiencing full employment and continued jobs growth expected in 2026. We would also restore PRSI Dental

benefits to those treatments that were in place pre-2010 including oral exams, gum cleaning, fillings, extractions, and root canals.

• Index Income Tax and USC credits and bands at 3% (first year).	-€720.3m
• 0.5% increase in Employer's and Self Employed PRSI (first year).	+€780m
• Withdrawal of Income Tax Credits over €100,000 (first year).	+€465m
• Restoration of PRSI Dental Benefits and 10% increase in fees.	€84m

PROTECTING FIXED INCOMES AND OLDER PEOPLE

Recent increases to social welfare benefits and assistance payments have been below the rise in the cost of living and the government has relied instead on once off payments to make up some of the difference. To provide some insulation against higher costs we would apply an increase of €16 per week to all social welfare payments, in line with moving towards meeting a minimum essential standard of living (MESL).

The Living Alone Allowance has not increased since 2021, so we provide here for a €5 per week increase to support increased costs instead of another once off payment. Labour is committed to the Pension Promise campaign and provides new funding of €30m to restore the bereavement grant for PRSI contributors. We also allocate funding for the operation of the new auto-enrolment retirement savings scheme in 2026.

• Increase weekly Social Welfare Payments by €16 per week.	€1,224m
• Increase the Living Alone Allowance by €5 to €27 per week.	€66m
• Restore €850 PRSI Bereavement grant.	€30m
• 2026 costs for Auto-enrolment Savings Scheme (estimate).	€64m

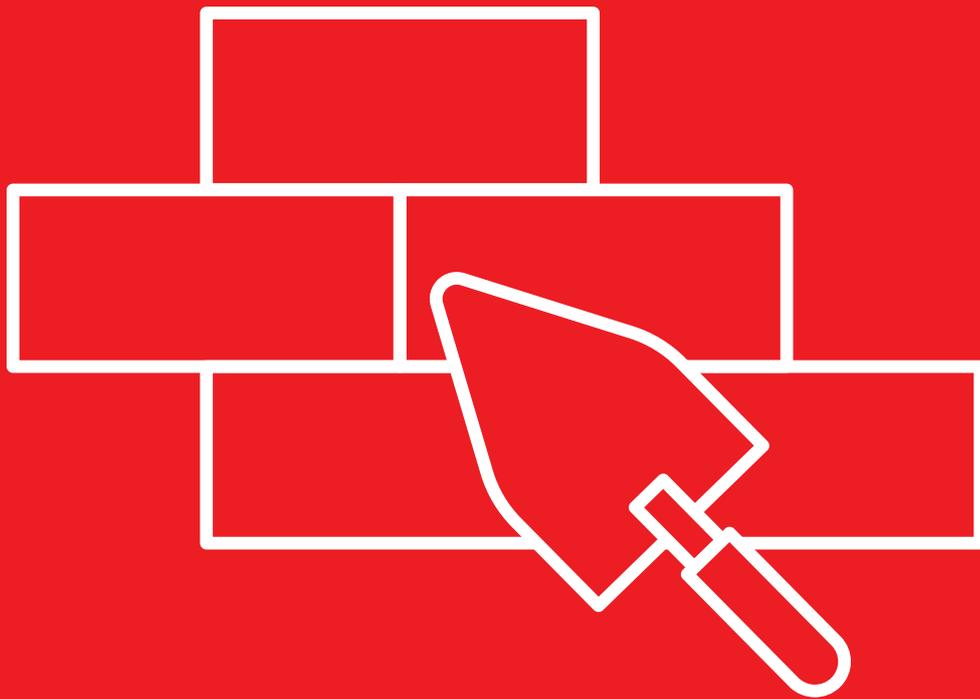
HELPING FAMILIES

In our Care section we provide for a comprehensive package of funding to address child poverty and provide for a targeted child income support payment. Child Benefit has not been increased since 2016, and we provide for a monthly increase of €10 extra and make it payable in the month a child is born. Increasing the thresholds of the Working Family Payment by €50 a month would provide additional support for thousands of families and keep up with wage growth.

Labour is committed to reducing the cost of living for families. In our budget package this year we show how by investing in public services a much greater reward can be delivered through the social wage. Ireland can afford to provide free GP for all children, make education truly free by doing away with back-to-school costs and voluntary contributions, cap the weekly cost of childcare at €50 a week and making travel free for children.

• Increase child benefit by €10 a month.	€153m
• Pay child benefit to new parents in the month of birth.	€7.5m
• Increase Working Family Payment Thresholds by €50.	€55m

**WORK &
SOCIAL
PROTECTION**



WORK AND SOCIAL PROTECTION

COLLECTIVE BARGAINING

Ireland is a high cost, and for far too many a low wage economy. This is putting huge pressures on working people and families at a time of record corporate profits, and something simply must give. That's why Labour has been campaigning for workers to secure pay rises, along with radical improvements in public services that directly reduce their out-of-pocket costs for essential public services.

Significant progress must be made in Ireland to improve collective bargaining rates and the forthcoming Action Plan must demonstrate real commitment and tangible actions to increase coverage up to 80%. As part of our mission of ending low pay and giving workers more power at work, Labour would:

- **Use the €17bn+ public procurement budget** to support decent incomes, raise the wages of low paid work and reward collectively bargained earnings.
- **Lift low and precarious incomes** with employer-trade union Joint Labour Committees across all low paid sectors of the economy, end the employer veto, deliver a living wage over the next 12 months, strengthen the gender pay gap legislation, ensure all apprentices earn the NMW and create an automatic presumption of employee status.
- **Give workers and those who want to work greater control** over their work and life with a real right to flexible work, regulate the use of algorithmic management and AI in recruiting, remunerating and managing in the workplace, introduce a "stop and switch" scheme to allow mid-career workers to reskill and change careers, introduce a real right to switch off and ensure that reproductive health leave is available to all workers who need it.

Labour would restore tax relief on trade union subscriptions and increase funding for both the Workplace Relations Commission and the Health and Safety Authority by 10% for the increased recruitment and deployment of inspectors. Too many workers live on low pay in Ireland, and the government must recommit to a clear pathway to a living wage of €14.75 an hour by 2027 rather than 2029. We would increase the minimum wage by 70 cent in 2026 to €14.20, scrap sub-minima rates for young people, and complete the transition to a Living Wage next year.

• Restore tax relief for trade union subscriptions.	€37m
• Increased funding for WRC and HSE Inspectors.	€5.6m
• Provide a Living Wage for all workers by 2027, increase the NMW by 70 cent an hour to €14.20 in 2026 and end sub-minima rates for young people.	
• Increase the Eating on Site Allowance from €5 to €6.20, the Working from Home Allowance from €3.20 a day to €5 and maintain flat rate expenses.	

A FULL YEAR OF PAID LEAVE

Parents should be able to take up to a year of paid leave and not be placed under financial pressure when doing so. We would increase the payment rate to €350 a week up from €289 at present as the first step towards the introduction of a pay-related leave benefit scheme. We would also extend the amount of paid parent's leave available by a further 3 weeks for each parent taking it to twelve weeks each. Combined with Maternity and Paternity Leave benefits, this would provide 52 weeks of leave. We would also introduce reproductive leave for pregnancy loss and IVF treatment as outlined in our Health-Related Leave Bill.

• Increase Maternity and other leave benefits to €350 a week.	€64m
• Extend Parent's Leave Benefit by a further 3 weeks to 12 weeks.	€49m
• Provide up to 20 days of reproductive health related leave.	€8.6m

HELPING WORKERS WHEN THEY NEED IT

Our social insurance contributions are pay-related and fund social welfare benefits and pensions. The introduction of pay related jobseekers' benefit was long overdue. To bring Ireland into line with comparator EU countries, the Department of Social Protection must begin to develop proposals to achieve pay related leave benefits and Carer's Benefit. In recognition of the increase in long-term renters, we would develop out a rent benefit linked to short term unemployment and modelled on rent supplement, with eligibility linked to social insurance contributions. We would also remove the three waiting days for Jobseekers Benefit, move towards a system based on hours worked rather than days reflecting modern work patterns, and provide the additional funds for the extension of pension benefits to bereaved partners.

• Develop proposals for introduction of further pay related social insurance payments including a rental benefit.	TBC
• Waive the three-day waiting period for Jobseekers Benefit and amend rules to move towards deductions based on hours.	€3.3m
• Funding for Bereaved Partner pension benefit extension.	€5m

SUPPORTING SMALL BUSINESSES

Small businesses are also suffering from increased costs and need support. We do not support untargeted VAT cuts as it will not address the underlying issues facing the hospitality sector nor be passed onto customers. A 9% rate will cost over €630m, ignores the needs of other sectors like retail, and permanently reduces the tax base.

Labour would instead reintroduce the ICOB grant at a rate of €2,000 and increase the R&D payment threshold for SMEs from €75,000 to €150,000, with a once off timing cost of €45m. We invest in the promotion of tourism with an extra €10m for the Overseas Tourism Marketing Fund and would increase advisory supports for SMEs and social enterprises through the Local Enterprise Office network. We would facilitate the creation of Employee Ownership Trusts based on the UK model and create a new state agency to support the hospitality sector. This body would be modelled on Teagasc with a mission to boost

sustainability, competitiveness, and productivity, and provide research, advisory and training services. Our proposals to drive down insurance and energy costs including a PSO waiver, reform of the commercial rates system and improvements to our town centres are essential for the future viability of SMEs.

• €2,000 Increased Costs of Doing Business Grant.	€130m
• Increase first year payment threshold for R&D tax credit to €150,000 for SMEs.	€45m
• Increased budget for tourism promotion through Failte Ireland and the Overseas Tourism Marketing Fund.	€20m
• Increase Local Enterprise Office budgets by 10% and provide all social enterprises with access to support.	€5m
• Agency to support the Hospitality sector, modelled on Teagasc.	€2m
• Facilitate the creation of Employee Ownership Trusts with clear Revenue guidance and cost neutral changes to the tax rules on discretionary trust tax, CGT transfers and deferral.	

EXPANDING THE SOCIAL SAFETY NET

Labour would develop as a permanent feature of our employment and social protection safety net a Wage Subsidy Scheme to support workers and businesses when a downturn or future recession strikes. This short-term working scheme, which we call ObairGhearr would protect employees from lay-offs with state subsidies when companies encounter difficulties and need time to adapt. This ensures SMEs can retain staff and skills. 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. This would be funded from the Social Insurance Fund and National Training Fund and act as an automatic stabiliser in future recessions, so doesn't have an immediate upfront cost.

Labour would also unlock a portion of the near €2bn surplus in the National Training Fund to allow workers who are mid-career to 'stop and switch' and pursue upskilling or a new career direction. This would be managed by Solas and be demand driven where a worker has a minimum of 10 years of continuous social insurance contributions inclusive of credited leave. When in work, upskilling opportunities are most often controlled by the employer. We want to give workers the personal freedom to choose for themselves after making many years of contributions by funding skills vouchers and free part time third level courses from the NTF.

• Introduce ObairGhearr - a Short Term Working Scheme.	SIF & NTF
• Free part-time third level courses and skills vouchers for workers.	€50m/NTF

DISABILITY AND EMPLOYMENT

The new National Human Rights Strategy for Disabled People must be backed by real action and resources. Since the government dropped the deeply flawed Green Paper proposals for a tiered approach to disability payments there has been no further progress on recognising the cost of disability or the lived reality for those who can and wish to work, and the impact our outdated social welfare rules has on their freedom to participate in society. As outlined in our manifesto we would seek to reform disability payments to introduce a single, taxable benefit, protect secondary benefits like medical cards, and phase in a Cost of Disability payment in 2026 starting with a €25 per week payment.

As an interim step, we would also increase the Disability Allowance weekly income disregard from €165 to €250 for those in work. Ireland has very low rates of employment for people with disabilities and we would overhaul the Wage Subsidy Scheme to provide more supports with 1,000 extra places, restoration of the 70% link with the national minimum wage, and a new stream for those with significant disabilities of a minimum 8 hours and initial 3-month contracts to allow for people and employers to trial new working arrangements. We would provide for additional places on the Employability and WorkAbility schemes.

<ul style="list-style-type: none"> Phased two-year introduction of a Cost of Disability Payment starting with €25 in 2026. 	€298.5m
<ul style="list-style-type: none"> Increase the income disregard for Disability Allowance to €250. 	€20.3m
<ul style="list-style-type: none"> 20% increase in funding for the Employability and WorkAbility programmes to support people with disabilities in the workplace. 	€5m
<ul style="list-style-type: none"> 1,000 extra places on the Wage Subsidy Scheme, restore link to 70% of the NMW, and other reforms to improve scheme. 	€25.1m

SUPPORTING LONE PARENTS

A significant proportion of single parent households are consistently at risk of poverty, with higher rates of deprivation, and we provide for targeted income support measures in this budget. Lone parents transfer to the jobseeker's transition payment when their youngest child turns 7 but there are still a number of anomalies between the two, for example those on OPFP can access WFP but those on JST can't. We would extend access to WFP for those on JST and increase the earnings disregard for the one parent family payment and JST from €165 to €250 costing €31.8m. Labour has also provided for fuel allowance to be paid for those in receipt of the Working Family Payment, and for significant increases in the Child Support Payment.

<ul style="list-style-type: none"> Extend eligibility to WFP for lone parents on JST. 	€68m
<ul style="list-style-type: none"> Increase OPFP and JST income disregard to €250. 	€31.8m

TRUSTING YOUNG PEOPLE

We would restore full adult Jobseekers rates for young people and provide the €500 cost of education grant to all back to education allowance recipients. Under our Community proposals we make a significant investment of over €22m in youth services and provide for the salaries of youth workers and other support staff to be increased in line with the public service pay agreement.

• Restore full adult Jobseekers to those under 25.	€62.5m
• Provide the €500 Cost of Education grant to all BTEA recipients.	€1.5m

INVESTING IN COMMUNITY WORKERS

We would double the payments for workers on CE, Tús and RSS schemes, increase the Community Employment materials grant by 10%, and raise 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 and extending time on Tús to two years. Participants on the CE Drug rehabilitation scheme should be provided with free travel. Labour would also ensure CE supervisors and other community workers receive pay increases in 2026 in line with those agreed in the public sector pay agreement, but no costing was available from the Department for this measure.

In the Community Services Programme, we would benchmark funding to a living wage for workers (€6.8m), restore the non-wage grant of €7m and provide increased funding for manager salaries through an overall investment package of €20.9m that also provides for a 10% increase in funding targeted for sustainability projects.

• Community Services Programme (wages and other measures).	€20.9m
• Increase Community Employment, Tús and RSS top-up to €40.	€19.8m
• Additional 1,500 JobsPlus places for long term unemployed.	-€12.3m
• 10% increase for CE Materials and double training grant to €500.	€5.8m
• Pay increases for CE, Tús, RSS and JI supervisors in line with public service agreement (estimate).	€5m

CARE



CARE

We believe in a society that values care, and invests from cradle to grave, so that people have access to the services they need. We outline here proposals for public childcare, tackling child poverty, protecting vulnerable children in care, supporting family carers, and delivering a new Fair Deal for older people.

A RADICAL APPROACH TO CHILDCARE

Public funding for childcare in Ireland remains less than other peer European countries. Campaigning for **Equal Early Years**, Labour has long 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 while early years educators deserve decent pay and conditions. Most of all, children deserve an equal start. The best way to deliver this is to change focus away from subsidising private providers and towards the development of a public system of early years education and care. The impact goes far beyond the time spent in a childcare setting as it can transform society, reduce inequality, and increase participation in the workforce.

OUR GOALS	OUR PLANS
Equality for Children Affordability for Parents Fairness for Professionals	A universal Public Childcare Scheme Cap childcare fees at €50 a week Provide core funding to increase pay

Our Budget Package for childcare seeks to deliver on each of our political goals by guaranteeing places through a universal public model, capping costs for parents at €50 a week, and delivering pay improvements for childcare workers.

A Public Childcare System

Labour would begin the rollout of a public childcare system by delivering 6,000 new places a year across an average of 104 services, with annual first year operating costs of approximately €61m and an average staff of 10 per service. To ensure the sustainable growth of the system, each year a further €60m will be allocated so that over 5 years 30,000 new places would be delivered.

Areas with a shortage of places would be prioritised first. New locations would be identified through existing publicly owned sites and buildings in the education sector and local authorities. Administration such as payroll and corporate services would be initially built out through existing systems in Education and Training Boards bringing early childhood education and care into the education system. For example, some ETB colleges already operate creches. Support will continue to be provided for new community and not for profit co-operative services. Over time overall responsibility for the public system would transfer to the new state agency for early learning childcare and school age childcare that is already under development.

A new capital allocation of €55m will be provided for the delivery of appropriate new public childcare facilities, rising to €109m, and the current annual €20m of capital investment

provided to private suppliers under the NDP Building Blocks programme would be reallocated to the public model.

Providing a route to the public system for existing providers

In parallel, a separate annual fund of €7m will be ringfenced for a 'childcare in situ' scheme for the State to take over the operation of existing services that wish to transfer to the public scheme or buy out those that indicate their intention to close or withdraw from core funding. Priority for this nationalisation process would begin with smaller pre-school services offering the ECCE scheme that wish to move to the public model. As part of the transition to a public system the potential for expanding these would also be considered. The level of funding for the childcare in situ nationalisation scheme would be reviewed on an annual basis depending on demand. There will be savings to the State from not having to subsidise as many private operators.

Cap Costs for Parents at €50 per week

Labour has long campaigned for childcare costs for parents to be capped at €50 per week costing close to €205m at existing demand levels. This would bring costs closer to average European levels. Over two years Labour would give immediate relief to hard-pressed parents during this cost-of-living crisis, reducing their costs to about €200 a month, starting with an allocation of €105m in Budget 2026.

Professional Pay

Labour would commit €130m in ringfenced core funding to deliver improved pay and conditions for early year staff. A survey by SIPTU, the early years union highlights how the sector is struggling to retain staff with turnover at 25%. The funding allocation would guarantee a 10% uplift on minimum ERO rates and deliver pay improvements to recognise experience and qualifications. We would also review pre-school staffing ratios with a view towards lowering it closer to 1:8.

Inclusion and Equality

The Access and Inclusion Model supports children with disabilities to participate in pre-school and we would increase funding by 20% to provide improved supports to younger children, and ensure swifter decisions are made on supports. The Department was unable to provide a costing for extending the Equal Start programme supporting children experiencing disadvantage to participate fully in early learning and childcare.

• First stage of public childcare scheme rollout with 6,000 places across 104 services, and 'childcare in situ' programme.	€68m
• Cap childcare fees through the NCS at €50 a week over two years.	€105m
• Increased Core Funding with ringfenced portion for professional pay to guarantee a 10% uplift on minimum ERO rates and pay improvements to recognise experience and qualifications.	€130m
• Bring budget for Access and Inclusion Model to €100m to support children with additional needs access early years.	€19.3m
• Increased funding for Equal Start (estimate).	€15m

CAPITAL

- New funding for provision of public childcare facilities (First year). **€55m**

A CHILDREN'S BUDGET TO END POVERTY

It is a failure of our society and those in government that child poverty figures are relentlessly rising. The number of children in Ireland living in consistent poverty nearly doubled in 2024 to 8.5%, rising by over 45,000 in one year to 104,780. ESRI research published in September also shows 1 in 5 children, over 225,000, live in families below the poverty line when housing costs are accounted for. Despite the creation of a dedicated unit in the Department of An Taoiseach to address child poverty and wellbeing there has not been the necessary political follow through.

In 2023 the ESRI published a report on the introduction of a new targeted child income support payment (CISP) as a second tier of child benefit, a position previously recommended in 2022 by the Commission on Taxation and Welfare. This reduces child poverty by a quarter and the child poverty gap by half. In the two years since, Labour has advocated for the introduction of this payment instead of untargeted tax cuts. We consistently noted that significant design work would be needed to deliver this and avoid unintended consequences from interactions with secondary benefits and means tests. Labour will once again allocate €2.5m for the creation of a dedicated Departmental team focused solely on the goal of designing and introducing this new payment and we have allocated the estimated €770m necessary for a second tier.

- Introduce a targeted Child Income Support Payment. **€770m**
- Dedicated Departmental team to design and introduce a CISP. **€2.5m**

Recognising that the government has said it will not bring a CISP forward in 2026 we recommend that the following child poverty reduction measures be taken, and outline through other chapters specific measures to address child poverty. The Child Support Payment should be increased to provide for a €15 increase in the rate for over 12s, and a €6 increase for younger children. Increases in the Working Family Payment, extension of Fuel Allowance to WFP recipients, a general increase in Child Benefit and additional supports for lone parents are also necessary.

The TUSLA Area Based Childhood (ABC) Programme, set up by Labour, is an area-based funding measure intended to address multidimensional child poverty and we would continue the current 12 locations, and extend it to five new locations.

- Increase the Child Support Payment for Social Welfare payments and BTWFD by €15 for children aged 12 and over to €77, and by €6 for children aged under 12 to €56. **€144.2m**
- Increase Child Benefit by €10 a month and pay in month of birth. **€160.7m**
- Increase Working Family Payment thresholds by €50 and extend Fuel Allowance to WFP recipients. **€95m**

<ul style="list-style-type: none"> • Increase Income Disregard for OPFP and JST to €250. 	€31.8m
<ul style="list-style-type: none"> • Extend Area Based Childhood programme to 5 new locations. 	€3.8m
<ul style="list-style-type: none"> • Introduce DEIS+ and make education free (Education), end child homelessness (Housing), tackle the scandal of waiting lists for child disability services and therapies (Health), invest in youth services and increase income supports for children in Direct Provision (Community), make travel free for children (Climate). 	

PROTECTING VULNERABLE CHILDREN

There are major deficits in the level of care provided to vulnerable children and there must be a root and branch review of child protection services and a new strategy mapped out to address deficits in care. Tusla is under significant pressure to deliver in an under-resourced system with over 110,000 referrals a year.

As a first step we would invest more in foster care and kinship care to support children in family settings. We would provide pension security for Foster Carer’s, increase the allowance by 10%, and align the aftercare allowance rate with the main payment. Kinship care from a relative, often grandparents, provides a vital support to a child when a parent can’t. We would increase the level of the Guardian payment by €100, improve processing times, and ensure access to appropriate therapeutic and social supports including respite and medical cards. We also commit to increasing the minimum core funding for Family Resource Centres to €240,000, support them in securing their own premises, and enhance the supports they provide.

The historic lack of investment in public residential places has left Tusla reliant on private providers. We provide for a 10% budget increase for Tusla to meet existing levels of service, fill vacant posts, meet increasing demand, and implement a reform programme with a new workforce plan to train, recruit and retain more social workers.

The majority of children needing care are placed with private providers. Tusla has 101 statutory residential care beds and has struggled to staff and deliver new public capacity despite a 50:50 target. We commit increased investment over 3 years to deliver over 260 spaces and reduce reliance on private accommodation.

The challenge in providing additional special care provision beds is in securing suitably qualified staff for a challenging working environment. There is capacity to provide such beds if staff can be hired at a significant cost of over €1m per bed but a high support ‘step down’ placement facility needs to also be developed again.

<ul style="list-style-type: none"> • 10% increase in Tusla base funding to maintain ELS and bring forward a new social work workforce development plan. 	€117m
<ul style="list-style-type: none"> • Provide for a 10% increase in the Foster Care Allowance, align aftercare rate with main allowance and extend pension security. 	€21.5m
<ul style="list-style-type: none"> • Support Kinship Carer’s with €100 increase to the Guardians payment and quicker processing time of applications. 	€9.6m

<ul style="list-style-type: none"> • Increase minimum core funding for 121 Family Resource Centres, introduce a capital funding stream and deliver 5 new FRCs. 	€14m
<ul style="list-style-type: none"> • Investment for 260 new public residential care units (Capital). 	€37m
<ul style="list-style-type: none"> • Staffing for additional Special Care provision beds and provision of step-down placements. 	€6m

SUPPORTING FAMILY CARERS

There are over 500,000 family carers in Ireland, and their unpaid work saves the State more than €20 billion a year. Over the last five years Labour has proposed long needed policy changes to support family carers such as removing the restrictive means test, and an increase to the low rate of payment which is not sufficient to meet the financial needs of those caring for dependents. We also know the application and appeals process for Domiciliary Care Allowance is simply not fit for purpose, and we provide for an increase of €20 in DCA, and an extension of the payment up to 18 years of age.

In this budget Labour would abolish the means test for Carer’s Allowance. We increase the Support Grant by €150 and increase the hours a Carer can work or study per week.

<ul style="list-style-type: none"> • Abolish the Carer’s Allowance means test in Budget 2026 	€330m
<ul style="list-style-type: none"> • €150 increase in Carers’ Support Grant to €2,150. 	€25m
<ul style="list-style-type: none"> • Increase the cap on hours a Carer can work or study per week from 18.5 hours and increase the income threshold. 	€8m
<ul style="list-style-type: none"> • Increase Domiciliary Care Allowance by €20, extend it up to 18-year-olds and reform the application and appeal process. 	€43.2m
<ul style="list-style-type: none"> • Fully fund the Carer’s Guarantee. 	€3.3m
<ul style="list-style-type: none"> • Replace Mobility Allowance and Motorised Transport Grant with long promised Transport Support Scheme. 	

A NEW FAIR DEAL FOR CARE

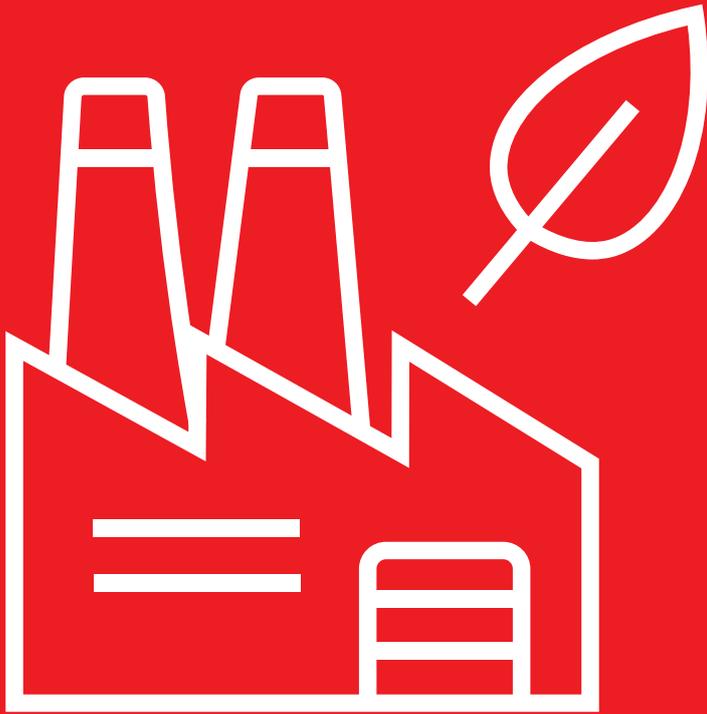
The development of a statutory home support scheme is long overdue, and the shortage of home care staff must be addressed with improved pay and working conditions. A key objective for Labour is investing in public services to reverse the privatisation of home care and deliver a further 140 publicly run long term residential care beds a year as outlined in our Health proposals.

The shocking revelations from RTE Investigates earlier this year highlights the urgent need for reform and a stronger role for the State. The Fair Deal scheme needs to be reformed to allow people to remain in their own homes where feasible and Labour will also put in place a plan to reverse the privatisation of long-term care. The 2025 budget for Fair Deal is about €1.25 billion and will need a minimum extra of €111.5m next year to meet demographic demand. It supports around 24,000 people with over 80% of that going to private nursing homes.

We also need to ensure people can be cared for in their own home and costings vary as every case will be different, but it will also be supported by substantial savings on residential care. As a priority the Fair Deal scheme should be changed to allow families to draw down funding for care at home rather than in a nursing home, on a cost neutral basis. We would also appoint and resource a Commissioner for Older People and Aging. Further care measures are outlined under Health and Disability.

Allow families to draw down Fair Deal funding for care at home.	TBC
Provide over 2 million additional home support hours to clear waiting lists and improve care workers terms and conditions.	€72m
ELS funding for Nursing Home Support Scheme (Fair Deal).	€111.5m
Fund the work of the Commission on Care and appoint a Commissioner for Older People and Ageing.	€2m

CLIMATE



CLIMATE

With every year Ireland is less likely to meet our 2030 climate targets and could face fines of up to €26bn. The evidence for dramatic climate change is clear as record-breaking temperatures and flash floods become the norm. Budget 2026 must address climate breakdown.

To drive ongoing annual emission reductions will require significant investment, and the revised NDP failed to deliver. Capital investment by the Department of Climate, Energy and Environment will increase by only €80m in 2026. That's why Labour is proposing to deploy an additional €5bn over the next decade from windfall revenues to support long term financing of retrofitting, renewable energy, and major public transport projects alongside existing allocations from an increased NDP capital budget. This will complement the future allocations from the Infrastructure, Climate and Nature Fund and give confidence that major projects will proceed, and that we are on a credible pathway to meeting our targets. Now is the time to invest.

We need 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 also see the benefit of moving to a carbon neutral economy, through a Just Transition. 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 interventions to protect and rebuild biodiversity and sustainability.

ENERGY EFFICIENT HOMES AND RENEWABLE HEATING

Improving the energy efficiency of our built environment is an immense and expensive challenge for Ireland. For too many people upgrading their home is outside their financial reach even with generous grants and a low-interest loan product. Labour's priority is to first improve the energy efficiency of households with the lowest income, who are also most at risk of energy poverty. Labour would turbocharge retrofitting and the rollout of renewable heating systems by improving access to energy efficiency upgrades with five key actions:

1. Increase local authority upgrades to 5,000 homes a year.
2. Create a Community Energy Advice Service.
3. Increase and reform existing SEAI funding and incentives.
4. Introduce a Rural Retrofitting Programme and fund a heat pump revolution.
5. Invest €2.5bn of equity into a new SEAI fund for whole area upgrades.

Local Authority Upgrades

The annual energy efficiency retrofit budget for local authority housing has remained at €90m for several years, providing upgrades for about 2,500 dwellings a year. The plan of the last government was for 36,500 to be completed by 2030. Based on an average cost of €36,250 per unit, to ensure 5,000 homes are progressed next year would require an extra €90 million factoring in efficiencies of scale. We will also provide in this package for the installation of

renewable heat systems and solar panels to address energy poverty bringing the extra cost to €100m, for a total allocation of €190m in 2026.

Local Community Energy Advisors

To encourage retrofitting in private and rented homes, Labour would create a Community Energy Advice service with 100 advisors. These will work to boost uptake of existing programmes and build momentum for whole area retrofitting.

Increase and reform existing SEAI Funding

The SEAI **Better Energy Warmer Homes Scheme** provides free of charge energy efficiency upgrades to low incomes households. It has a budget this year of €280m to retrofit approx. 7,467 homes. There are long delays of up to two years from application to completion, and demand is high. The average cost was €29,2700 per home in the first half of 2025. We would allocate a further €59m of capital to cover nearly 170 homes a month, or 2,000 a year, taking the total number of low-income households for retrofit in 2026 close to 10,000. We would include the automatic installation of renewable heating systems like heat pumps and solar panels on the Scheme and expand it to cover HAP tenancies on the condition of longer-term leases with claw back conditions.

Cost is a major barrier for many working people who want to retrofit their home. While the **Better Energy Homes Scheme** and other SEAI programmes offer significant grants there is still a gap for too many households. Labour would pilot a sliding scale of SEAI grants based on household income and introduce a zero-interest loan product like models in France and the Netherlands. This would be paired with a new **Home Retrofit Tax incentive** modelled on the Home Renovation Incentive, which would be available to households earning less than €100,000, and claimable on the first €10,000 of work. This would complement available grants and low interest loans and help bridge the affordability gap in a targeted way.

Rural Retrofitting and a Heat Pump Revolution

Ireland has a target of installing 400,000 heat pumps by 2030, and 45,000 by the end of 2025. The numbers being installed are nowhere near this. The SEAI expects to support just under 6,000 installations this year. Replacing fossil fuel heating systems will have the greatest impact on lowering our emissions, improving air quality, and addressing energy poverty. However, price is a real concern as heat pumps can cost up to €20,000 (though SEAI grants of up to €6,500 are available), often require new radiators too, and then an uncertain operating charge can drive much higher electricity bills.

Storm Éowyn also showed the vulnerability of rural homes and the electricity network. We would introduce a new Rural Retrofitting Scheme for a trial period that would fully fund the installation of up to 4,000 heat pumps a year for low to middle income households in rural and socially deprived areas. We would pair this with a battery storage grant of up to €3,000 which would be installed alongside solar panels. Combined in the future with an electric car, and the right adapter a household could go off grid when power is knocked out. We would also seek to develop a subsidised heat pump social tariff through an Energy Guarantee Scheme to cheaper rate of electricity for operating heat pumps for low-income households. The cost of other upgrades to bring the home to be heat pump ready would be met from existing SEAI schemes.

National Retrofitting Fund

Using an equity investment of €2.5bn from the Apple escrow, Labour would create a National Retrofitting Fund under the SEAI to be deployed over the next decade that would recoup installation costs over a much longer timescale. It will also take time to build up sufficient capacity in the sector and not detract from homebuilding. €1.75bn of the total would be delivered through new Community Energy schemes as follows:

- €1bn for area-based retrofitting consisting of street by street, estate by estate or whole parish plans, where the State would facilitate the cost of energy efficiency upgrades, co-ordinated by local Community Energy Advisors. An offer would be made to cover all homes, with some level of clawback for higher incomes households and rental tenancies. The efficiencies and market certainty of delivering upgrade works in designated areas would provide for quicker delivery.
- €500m would be allocated for apartment complexes, MUDs and AHBs.
- €250m would be available to SMEs and the Community and Voluntary Sector.

The final €750m would be ringfenced for public sector pathfinder projects for upgrades of schools, Garda stations, hospitals, and other public buildings.

• Appoint 100 local Community Energy Advisors.	€18.5m
• Targeted Home Retrofit Tax Incentive to bridge the affordability gap and introduce the residential retrofit loan guarantee scheme.	€30m
• Develop and introduce a subsidised heat pump electricity tariff for up to 5 years, waive the €827 gas network disconnection fees, and introduce a zero-interest rate retrofitting loan scheme.	TBC

CAPITAL

• Double the Local Authority Energy Efficiency Programme to up to 5,000 council homes per year.	€100m
• Increase the Warmer Homes Scheme to cover retrofitting for a further 2,000 low-income homes in 2026 and reduce waiting lists.	€59m
• Provide up to 4,000 free installations of Heat Pumps per year as part of a Rural Retrofit Programme.	€60m
• Introduce a Battery Storage Grant for rural households.	€12m
• Equity for a National Retrofit Fund over 5 years.	€2.5bn

OUR ENERGY TRANSITION

The reliance on gas and fossil fuels for electricity generation has exposed Ireland to some of the highest prices in the EU, and the new government is likely to spend close to €1bn on a state-owned floating LNG terminal that will lock in future fossil fuel use and higher costs.

The huge energy demands of data centres is also keeping prices high and absorbing new renewables. We would apply a levy of €20 per megawatt hour on data centres raising over €140m and reform the PSO to ensure they contribute equitably. The rapid deployment of offshore wind infrastructure is needed to diversify our grid, and Labour would direct the ESB and BNM to scale up delivery. Labour believes the State should commit at least €1bn in direct equity stakes in offshore wind projects to ensure delivery. We would also commit €80m to a new Strategic Ports Infrastructure Fund to support offshore construction.

The planning and regulatory system must be resourced with the expertise to support our climate objectives and we allocate €3m in dedicated funding to prioritise renewable energy projects. In parallel we would invest in training and education places and fund an extra 1,000 Skillsnet places for green tech, renewable energy and climate change courses. For many years, Labour called for flagship community energy projects such as the installation of solar panels on school roofs. This is now happening, and these projects have huge symbolic value, demonstrating the urgent need for collective climate action. We would extend this further with €30m to install solar panels across the public sector estate and provide a further €5m for the development of district heating in 2026.

With €3.5bn in equity funding committed to Eirgrid and ESB Networks, they must rapidly scale up the resilience of our transmission network so that the grid becomes more robust, with increased investment in battery and thermal storage options. Funding for the EV charging network needs to increase and local authorities must provide on street e-charging facilities. The innovative EnergyCloud project to direct surplus waste renewable energy to low-income households in fuel poverty should be expanded.

<ul style="list-style-type: none"> Increased resourcing and expertise in the planning system and public sector bodies for delivery of renewable energy projects. 	€3m
<ul style="list-style-type: none"> 1,000 Skillnet places in the climate and renewable energy sector. 	€1.5m

CAPITAL

<ul style="list-style-type: none"> Off-shore wind direct equity investment fund through ISIF/FIF. 	€1bn+
<ul style="list-style-type: none"> Strategic Port Infrastructure fund. 	€80m
<ul style="list-style-type: none"> Solar panel installation across the public sector estate. 	€30m
<ul style="list-style-type: none"> District Heating Development Fund (grand funding). 	€5m
<ul style="list-style-type: none"> Develop a more robust electricity grid, increase the EV charging network including on-street e-charging, and expand EnergyCloud. 	

PUBLIC TRANSPORT AND ACTIVE TRAVEL

In a cost-of-living crisis now is the time to cut costs for commuters and incentivise the use of public transport. The TaxSaver commuter ticket provides significant relief for workers and employers buying tickets in advance. We would extend this to registered LEAP cards allowing commuters to claim back tax relief at their marginal rate based on their spend in the last year.

This would reduce costs by up to 40% and support the rise of flexible work. We would also extend free travel for all children costing €15m.

In Budget 2025, €2.9bn of capital was committed to transport, and this will rise next year by over €500m. The revised NDP also commits to use €2bn of the ICNF for the Metro. More ambition and certainty is needed, and Labour would prioritise most of this increase for public and active transport and also commit €2.5bn of the Apple escrow fund over the next decade to progress Metro, LUAS extensions, Bus Connects, DART+, Western rail corridor, other rail upgrades and balanced regional development.

We would also allocate an additional €35m to fund capital investment in public transport to meet increased demand from our TaxSaver proposal, including the purchase of 50 more electric buses. We provide for a 5% increase in the PSO subvention for public transport services and to support expanded routes but as a condition buses and trains must be punctual and operators held to account for failures. We provide funding for a 10-year capital plan to make all public transport accessible along with a national programme to provide covered bus shelters on routes across the country. It rains a lot in Ireland and if we want people to take the bus, then we should provide some shelter. We also commit €1.7m for the national rollout of the Independent Travel Support Scheme to support people with disabilities to travel independently and fund the initial rollout of a transport police and increases security presence at DART stations.

Budget 2026 should deliver on **Labour's Cycling Package**. Encouraging the uptake of active travel is central to reducing emissions and the number of cars on our roads. We are calling for the introduction of an SUV tax like that in France, based on weight and size to tackle the dangerous bloat of cars over the last decade delivered through both the VRT and the annual motor tax system and this is estimated to raise over €64m.

Labour has long called for the Cycle to Work tax scheme to be expanded to allow parents to purchase bicycles for their children; and we estimate this 'Cycle to School' scheme would cost €1.4m. The current tax scheme does not support students, those out of work or self-employed to purchase a bike so we would allocate €5m through support grants of up to €250 to support those who want to buy a bike, and reduce VAT on bicycles, e-bikes and safety equipment.

France has a scrappage scheme that provides 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 that are over 10 years old. Many of these are the second car in a household. 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 seed funding for community cargo bike clubs.

We 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 such as Drogheda, Dundalk and Swords. There would also be provision for e-bikes to facilitate longer distance travel. A further €2m would provide a 50-cent subsidy per trip to support operating costs. We would expand the active travel capital budget by 10% (€28.6m) to account for construction inflation and speed up delivery, alongside €6.3m to support maintenance of the existing network based off NTA costings.

Increased funding is also needed for a rural hackney service, rural transport schemes and the Local Link service while Labour would look to integrate the School Transport Scheme with local services where possible. As a road safety measure, we provide €104m for the maintenance and improvement of a further 700 km of road pavement on the condition of the inclusion of segregated cycleways and upgraded paths. The Department was unable to provide a costing for the reform of the Road Safety Authority into two new agencies.

• LEAP TaxSaver refund for commuters (first year costs).	€65m
• 5% increase in PSO funding for public transport.	€56.5m
• Introduce an SUV/Car bloat tax based on weight & size (estimate).	€64m
• Lower 9% rate VAT on bicycles, e-bikes and safety equipment.	€10m
• Rollout of transport police and increase security at DART stations.	€8.3m
• Funding for Rural Hackney Service and Local Link services.	€7m
• Bicycle grant funding for those outside Cycle to Work scheme.	€5m
• 50 cent subvention per trip for city bike schemes.	€2m
• National Independent Travel Support Scheme to support those with disabilities using public transport.	€1.7m
• Introduce a new 'Cycle to School' tax scheme (estimate).	€1.5m

HIGHLIGHTED CAPITAL ALLOCATIONS:

• Fund over next decade for major public transport projects including Metro, Luas, Bus Connects, DART+ and rail upgrades.	€2.5bn
• Increase investment in active travel projects by 10% and provide a maintenance budget for upkeep of routes (€6.3m).	€34.3m
• Targeted investment in new public transport routes including purchase of 50 additional electric buses.	€35m
• Expansion of public City Bikes and expanded City e-bikes scheme.	€26m
• Up to €2,500 Cargo or E-bike grant from car scrappage scheme and €1m seed funding for Community Cargo Bike clubs.	€25m
• Make public transport fully accessible over ten years for people with disabilities (first year funding).	€17.5m
• Delivery of covered bus shelters across the national bus network over five years (total €26m) with bike stands.	€6m
• 20% funding increase for park and ride facilities.	€4m
• Expand Zero Emissions Heavy Duty Vehicle Purchase Grant.	€1m
• Safety upgrading and improvement of a further 700km of local and regional roads a year inclusive of cycleways and paths.	€104m

JUST TRANSITION, BIODIVERSITY AND SUSTAINABILITY

We would introduce a new Just Transition Fund to support 60 projects targeted outside the Midlands and ensure the Just Transition Commission is fully resourced. We would invest in the NPWS to support commitments under the National Biodiversity Action Plan, restoration of land and waterways, and increase funding for the Farm Plan Scheme by 50% as well as funding 20 new sustainability projects through the Community Services Programme. Air pollution causes 1,400 premature deaths in Ireland a year, and we would expand EPA air quality monitoring to allow for mobile stations to be installed in communities that believe their air quality has declined. We provide for increased funding to tackle water pollution in places like Lady's Island lake in Wexford, a review of all discharge licenses, and the installation of sondes in rivers like the Blackwater subject to unexplained fish kills.

We would explore the development of a National Recycling and Repair Company within the Bord na Móna structure and provide seed funding provided from the Climate Action Fund to pay a bonus to encourage people to have clothes and shoes repaired to tackle fast fashion.

• Create a new Just Transition Fund for projects across Ireland.	€22m
• Funding for a further 38 EPA mobile real time air quality monitoring stations allowing communities apply for installation.	€6m
• 10% current funding increase for NPWS to support biodiversity, conservation and restoration of land and waterways, and double the size of the Farm Plan scheme (€2.4m) to over 550 holdings.	€10.2m
• Improved monitoring of water quality in rivers and lakes with deployment of sondes, and a review of all discharge licences.	€5.5m
• Community Services Programme new sustainability projects.	€5.2m
• Annual Radon testing of 50,000 homes in at risk areas, and funding for remediation works in 2,500 homes a year.	€5m
• Seed funding for pilot Repair Bonus project to tackle fast fashion.	€3m
• Funding for the National Biodiversity Data Centre and tackling invasive species.	€1m

AGRICULTURE, FOOD AND FORESTRY

If the agriculture sector is to meet ambitious emission reduction targets, then new capital investment is needed. Labour would increase the allocation for farm rooftop solar to support another 500 holdings in 2026 on top of the existing budget and provide additional funding under TAMS of up to 70% for slurry storage and LESS to improve water quality. The National Biomethane Strategy needs to be reviewed to ensure it does not result in emission increases. Labour would introduce a new equine tracing system which would have a once of establishment cost of up to €2m and provide for a 20% increase in animal welfare spending.

We allocate €50m of new funding to increase the budget for Areas of Natural Constraint and would ensure more farmers can access ACRES. Labour is committed to improving our food security and growing more of what we eat, in Ireland. We would transform Teagasc to carry out this task, and substantially increase investment in organic farming as part of a five-year

plan to expand coverage to 20% of all farmed land. We would reintroduce the Horticultural Exceptional Payment Scheme and expand it to soft fruit growers to protect our home-grown food sector. To reverse the decline in cereals being planted we would restore the Tillage Incentive Scheme and increase supports to boost domestic production of grain and fodder crops. We would increase the protein aid scheme to support the cultivation of beans, peas and other related crops, and allocate €1.8m to support community gardens and allotments secure new land and develop regional networks.

Despite the Forestry Programme, the annual target of 8,000 hectares of new planting is nowhere near being met with only 1,573ht planted in 2024 and an increase expected in 2025 with approx. 1,700ht to date. Labour would look at increasing planting grants and premia by up to 10% within the existing budget and EU rules as we need renewed effort to meet the ambitious targets for afforestation. An extensive promotion campaign is also needed combined with increased numbers of active forestry advisers.

To encourage generational change, we would reintroduce the Early Retirement Scheme for farmers, providing an annual payment of up to €15,000 for 100 farmers a year. We would ensure EU funds are being best used to aid the fishing sector and develop measures to support decarbonisation of the fleet.

• Increase ANC funding to €300m and pay on time.	€50m
• 50% increase in Organic Farming Scheme towards 20% target of all farmed land	€36.3m
• Horticultural Exceptional Payment Scheme.	€3.7m
• 20% increase in animal welfare allocation.	€2.4m
• Restore and expand a Tillage Incentive Scheme.	€2m
• New Equine Tracing System (once off cost).	€2m
• Increased funding for community gardens and allotments to allow for LA land purchase and support regional networks.	€1.8m
• Reintroduce an Early Retirement Scheme for farmers.	€1.5m
• 10% increase to Protein Aid Scheme.	€1m
• Forestry promotion campaign and examine increases of up to 10% to grants and premiums within existing budget allocation.	€1m

CAPITAL

• Solar Capital Investment Scheme increase for another 500 farms.	€9m
• Increased funding rate of up to 70% for slurry storage and LESS.	€2m

HOUSING



HOUSING

The Housing for All plan has utterly failed, and voters were misled that almost 40,000 new homes would be built in 2024. The Central Bank forecasts delivery of only 32,500 new homes in 2025 while the ERSI predicts 35,500. Both assume only 36,000 next year. Clearly the State needs to do more but Ireland now has no coherent housing plan with great uncertainty on future policy, finance, and the planning system. FF and FG have no mandate for policies on rent increases, smaller apartment sizes, garden cabins and proposed tax breaks for developers. This scattergun approach is not helping the crisis.

We also now know the 2025 housing budget was a fiction. A total of €1.4bn in extra capital has been added since to shore up an underfunded housing programme. Labour was very clear last November in setting out our state led ambition on housing. Ireland at a minimum must build at least 50,000 homes a year for the next decade. We also need to retrofit up to 50,000 homes every year and bring back into use vacant and derelict properties. That is 1 million homes to build or renovate over a decade. This is the scale of what is needed to address our housing crisis, to meet our climate targets and to ensure the sustainable use of our building stock. Our construction workforce planning must recognise the competing demands between building new, and restoring old, and it must ensure that we have enough workers to do both.

Young people are deeply frustrated, caught in a cycle of ever rising rent and house prices, with rents often consuming nearly half their wages. Labour would provide increased rent tax relief in this budget and strengthen tenant rights but we need more supply. As we proposed last year, the equity investment into Uisce Éireann, ESB and Eirgird is vital to ensure we have the infrastructure needed for new homes. The same now needs to happen for housing construction through the Land Development Agency because the private sector cannot and will not build the homes for sale we need. The current housing crisis is a crisis of the inability of the private development sector to meet need. The LDA lacks a sustainable funding model and a recent Department of Finance report notes that in its current form the LDA will make only make a 'minor contribution' to housing targets in the near term, and that the State needed to 'consider a refocus of the mandate of the LDA'.

That is why Labour has proposed that up to €6bn of the Apple windfall should be deployed into the LDA as equity funding to transform it into a State Construction Company to build tens of thousands of affordable homes. It was set up deliver homes on public land but is currently too heavily involved in buying turnkey homes. Our plan will resource it to build up substantial land banks and engage in the long-term planning needed for the development of houses and apartments at the necessary density, along with the infrastructure and administration to engage in direct building for sale or cost rental.

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| <ul style="list-style-type: none"> Equity Funding from Apple tax windfall for the Land Development Agency to transform into a State Construction Company. | <p>€6bn</p> |
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The State must also use its deep financial pockets through the HFA, ISIF and NTMA to underwrite longer term financing for Approved Housing Bodies (AHBs) to support the development of more affordable cost rental and social housing.

Overall, in the context of Budget 2026 we would allocate over €1.8 billion more in voted capital to provide for the delivery of up to 6,000 new social and affordable homes to bring us closer to a 50,000 total target a year.

SOCIAL AND AFFORDABLE HOUSING PROVISION

With the private sector failing to deliver sufficient new build housing for sale or rent, only the State has the capacity to act. As outlined in our housing proposals last November 'Build More Homes', Labour would invest enough to deliver over 20,000 social and affordable homes a year by significantly increasing capital investment. This is essential to address the over-reliance of the State on private developers and rental accommodation to provide social housing through current expenditure programmes like HAP, RAS and social leasing. Our 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, a home owned through an approved housing body, or can purchase their own affordable home.

We would invest a further €835m in the Social Housing Capital Investment Programme to build an extra 1,800 local authority homes per year to take total delivery above 12,000. Cost rental and affordable housing are funded through a variety of schemes, and we provide increased financing of €437m to support the delivery of up an additional 2,000 units of each of cost rental and local authority affordable purchase. Lower cost, longer term financing for AHBs will also increase the viability of projects. To support the growth of sustainable communities Labour would commit €20m a year for local infrastructure and increase the funding available for regeneration, pilot modular housing, and the refurbishment of existing stock and estates.

CAPITAL

• Build 1,800 more local authority homes a year on publicly owned land to bring new annual delivery to 12,000 units (All in cost).	€835m
• Financing to ensure delivery of a further 2,000 cost rental units, and 2,000 affordable purchase homes a year.	€437m
• Fund a modular housing prototype pilot for 300 units in Limerick.	€80m
• Community Infrastructure Fund for local authority and AHB building projects over 50 units.	€20m
• New funding for the Regeneration Scheme and refurbishment.	€15m
• Increase funding for An Coimisiún Pleanála and Local Authority Planning Departments (current spending).	€10.2m

POLICY CHANGES

- Prepare for the transformation of the LDA into a State Housing Construction Company, which would embed decent terms and conditions, good jobs, and sustainable building methods in its ethos.
- Cut red tape for local authorities carrying out the building of social homes, by devolving construction budgets for their direct management.

- Increase social housing net income limits to €45,000 per single person.
- Make cost rental a condition of Croí Cónaithe (Cities) funding.

Increasing Residential Supply and the Construction Workforce

- Provide a detailed investment plan for the €4.5bn in equity funding for Uisce Éireann and the increased voted capital ceilings over the next five years.
- Encourage conversion of redundant commercial properties to residential use, and disincentivise construction of speculative offices and other commercial and industrial properties - such as data centres - by using emergency development levies and increasing non-residential stamp duty.
- Pay apprentices at least the minimum wage and abolish apprenticeship fees; support training using the NTF surplus and stamp out bogus self-employment.
- Make the Housing Agency responsible for promoting construction careers, and attracting skilled workers to Ireland, including emigrants.
- Launch an international recruitment campaign with industry partners and widen the categories of construction work jobs on the critical skills list.

Tackle Vacancy and Dereliction, end speculation and land hoarding

Vacancy and dereliction represent a scourge across our communities. High levels of visible dereliction in our urban centres has a deeply negative impact on community solidarity, while vacant and derelict site registers kept by each local authority only reflect a small portion of the real levels. The continued presence of far too many empty homes represents a serious indictment of Government policy on housing. These buildings could be much-needed homes for people. Labour would resource Local Authorities to act with €125m of additional funding to CPO such proprieties and return them to use under schemes like Buy and Renew.

The most recent CSO report shows up to 72,254 vacant dwellings in Ireland in 2023. Many more properties that could be homes either above shops, or in dereliction could be quickly converted. In the first year of the Vacant Homes Tax in 2023 less than 4,000 homes were liable with nearly 3,000 exemptions. Only 2,377 were liable for VHT in 2024. Labour would increase the VHT to 10 times the rate of LPT with a minimum charge of €5,000 per year and increase compliance. The purpose of this tax is not to raise revenue but rather to encourage the putting back into use of vacant homes. If an identified property remains empty, then Vacant Housing Officers in each local authority will be resourced by Labour to proceed with CPO proceedings. Each local authority should have targets on returning vacant and derelict properties into use.

Vacant property refurbishment grants have made an impact but should be available in instalments and paired with a low interest credit scheme linked to the retrofit loan guarantee scheme through local authorities for those who want to buy, refurbish, and put back into use vacant and derelict housing.

<ul style="list-style-type: none"> Funding for hiring of Local Authority staff to tackle vacancy, dereliction, and CPO of properties. 	€5m
<ul style="list-style-type: none"> Increase Vacant Homes Tax to a €5,000 minimum charge, charge at 10 times LPT base rate and increase compliance. 	€5m

CAPITAL

<ul style="list-style-type: none"> Funding for compulsory purchase and refurbishment of up to 500 additional vacant and derelict properties a year by councils. 	€125m
<ul style="list-style-type: none"> Increase capital grants for Built Heritage Investment and Historic Structures Fund by 20%. 	€2m

POLICY CHANGES

<ul style="list-style-type: none"> Establish a comprehensive national building survey to review and upgrade the vacant and derelict buildings registers maintained by each local authority.
<ul style="list-style-type: none"> Comprehensively reform the law covering CPOs as recommended by the Law Reform Commission and introduce Compulsory Sale Orders.
<ul style="list-style-type: none"> Extend the Living City Initiative to more towns and make vacant property refurbishment grants available in instalments.
<ul style="list-style-type: none"> Introduce a local authority low interest loan scheme linked to the retrofitting scheme for owner occupiers who want to buy and refurbish vacant and derelict buildings.
<ul style="list-style-type: none"> Apply a minimum 20% Stamp Duty levy on bulk sale of houses and apartments to private investors.
<ul style="list-style-type: none"> End social leasing under Part V and provide local authorities with a capital funding stream to purchase these units.

A FAIR DEAL FOR RENTERS

New government rules will continue the trend of soaring rents while we await the legislation to improve security of tenure to see how strong it actually will be. We would resource the RTB to develop a Rents Register and deposit protection scheme, and support the development of reference rents as recommended by the Housing Commission. The Minister must revise HAP limits by benchmarking to the RTB 35th percentile to accurately reflect current market rents and the discretionary levels already being paid. In the medium to long-term, HAP and RAS should be phased down through greater investment in publicly owned housing, and this will also have the effect of increasing the availability of private rented accommodation.

<ul style="list-style-type: none"> Double the Rent Tax Credit to €2,000. 	€175m
<ul style="list-style-type: none"> Ensure every new HAP tenancy is inspected within 12 months and that 25% of all 50,000 HAP tenancies are inspected per year. 	€10.4m
<ul style="list-style-type: none"> Develop a Rents Register and Deposit Protection Scheme (RTB). 	€3m
<ul style="list-style-type: none"> Phase in HAP Limit increases of up to 15% to reflect market rents 	€67.5m

- Pass Labour’s Renter’s Rights bill to introduce a three-year rent freeze, restrict reasons for evictions, and develop a Rent to Buy scheme.
- Finally regulate short term lets to return more homes to the rental sector.

HOMELESSNESS

The rate of homelessness continues to rise by over 15% a year. Urgent change is necessary to end homelessness and the State has the power to act by investing in prevention. When Housing for All launched in September 2021 there were 8,475 people homeless including 1,005 families with 2,344 children. The figures for August now show 16,353 people, nearly 2,400 families and 5,145 children in emergency accommodation. Child homelessness has more than doubled in four years. Emergency measures should now be taken to recognise the worsening situation. Such change will also deliver much more effective use of state funding. Apart from the appalling human cost of homelessness, the cost of maintaining a household in emergency accommodation is estimated to be over €40,000 per annum. This is money that could be better spent on housing delivery and should be refocused into turning around and repurposing vacant homes and buildings for use as housing.

There are nearly 3,000 vacant council homes across the state with more than 800 of these empty over a year but Councils are only provided with refurbishment funding of €11,000 per unit for up to a total of 2,300 a year. We would double this to €22,000 and extend it to cover 3,000 ‘voids’ a year. The Tenant in Situ scheme is a proven short-term solution to homelessness and Labour would ensure the budget available is demand led until sufficient new supply is built.

• Ensure every child in homelessness has a Tusla Child Support Worker, dedicated School Transport, and mental health supports.	€2.5m
• Allocate funding to pilot a Housing First for Families programme to support those with complex needs.	€4m
• 15% funding increase for homeless services targeted towards prevention measures, and to address Section 10 pay deficits.	€45m

CAPITAL

• Double the funding allocation for refurbishment of 3,000 vacant council housing ‘voids’ from €11,000 to €22,000.	€41m
• Continue Tenant-in-Situ provision of €375m into 2026 and increase allocation to €500m	€125m

POLICY CHANGES

- Put in place a ban on the eviction of children into homelessness and pass Labour’s Housing Homeless Families Bill.

OTHER HOUSING MEASURES

Limits for the Housing Adaptation grant scheme for people with a disability were increased to €40,000 last year but still don't address the real costs of having work done and the increasing demand. Labour would provide for grants of up to €60,000 and ensure when work is approved that it is aligned with the SEAI Warmer Homes scheme to deliver energy upgrades at the same time. Clarity must be provided on funding for the National Housing Strategy for Disabled People and a review opened of the Capital Assistance Scheme to simplify acquisitions and approval processes, and reconsider price ceilings for larger homes.

Tens of thousands now have their mortgage loans owned and serviced by 'vulture funds' and their agents. The State should allow performing mortgage holders to refinance their loans through the Local Authority Home Loan Scheme.

CAPITAL

<ul style="list-style-type: none"> 50% increase in Housing Adaptation Grant funding, align with SEAI retrofitting work, and increase the €40,000 limit to €60,000. 	€50m
<ul style="list-style-type: none"> €100m direct state investment in affordable, public student accommodation. 	€100m

CONSTRUCTION DEFECTS

Labour would provide €2.5m of initial funding for the establishment of the Building Standards Regulator and fund 100% redress for Construction Defects and MICA with a 2% recurring levy on profits from construction activities (€50-60m/year) over a decade and provide for a 10% increase in Defective Concrete Block remediation grant limits and fund the replacement of foundations.

<ul style="list-style-type: none"> Establish the Building Standards Regulator (initial costs) 	€2.5m
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COMMUNITY



COMMUNITY

SUPPORTING CULTURE AND THE ARTS

Labour has a proud record of support for our arts, culture and for all who work in these sectors, but they need more spaces. 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 extending their opening hours on weekends and weeknights. The long-delayed reform of licensing laws to support the nighttime economy must be accompanied by investment into arts and cultural spaces across our cities and towns.

The chronic shortage of #spaceforarts is one of the most critical issues in the sector and we commit to a €25m annual fund to help Local Authorities and artists to wholly or part fund the purchase of new premises or refurbish vacant properties, and in the long term set up a Culture Infrastructure Company. It is also vital that specific supports are made available to help arts and cultural spaces to decarbonise. Allowing local authorities to apply a levy on bed nights would expand the funding available for cultural investment.

The Basic Income for Artists scheme needs to be retained and expanded, but this must not distract from improving wages in the sector. Disabled artists must be properly supported by the tax and welfare system, a diversity taskforce established, and the Arts Act updated to protect the intellectual property and labour rights of artists.

While some funding certainty has been provided for RTÉ, in the long term a reformed funding model will have to be introduced as public service broadcasting is vital to the health of our society and our democracy. In a globalised media market, an audio-visual media content levy is essential to support Irish independent producers, our growing animation sector, and broadcasters. A levy of 5% will raise €50m and ensure the Irish sector is not at a disadvantage to EU countries with it in place. We would continue ringfenced support for radio and local news reporting and provide for new and ongoing capital support for the transmission system and digital transformation.

In the 1990s, Labour's vision transformed the Irish film industry. The industry is nothing without its skilled performers and crew. Backing the calls from Irish Equity, Labour would amend Section 481 tax credit regulations to bring the rights, pay and terms and conditions of performers and crew up to the standards in place in peer countries.

<ul style="list-style-type: none"> Increase Arts Council Funding up to €160m with increased Creative Ireland funding to maintain and expand programmes. 	€20m
<ul style="list-style-type: none"> Maintain and expand the Basic Income for the Arts scheme by 1,000 places. 	€18m
<ul style="list-style-type: none"> Increased funding to Culture Ireland to bring budget up to €10m. 	€2.4m
<ul style="list-style-type: none"> Extended opening hours for National Cultural Institutions and 10% funding increase for national and regional institutions. 	€10m
<ul style="list-style-type: none"> Support diversity in the arts, and reform social welfare and medical card rules to recognise disabled artists. 	€2m
<ul style="list-style-type: none"> Introduce an AVMSD Content Levy at 5% to fund Irish content. 	€50m

CAPITAL

• Funding for Local Authorities and artists to develop, secure and refurbish studio and cultural spaces.	€25m
• Increase Screen Ireland Capital Fund by €5m and provide €1.5m for radio transmission system.	€6.5m

AN GHAELIGE

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.

• 2026 allocation towards An Plean Fáis proposals inclusive of funding for An Taibhdhearc, the National Irish Language Theatre.	€22m
• Phased multiannual funding increases for Foras na Gaeilge, taking it to €22m in 2026.	€3.5m
• TG4 core funding increase, and support for Raidió Rí-Rá.	€12m

CAPITAL

• Údarás na Gaeltachta for Gaeltacht housing and jobs package.	€5m
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INVESTING IN YOUTH AND COMMUNITIES

The Youth Sector has been chronically underfunded for many years as highlighted by NYCI and Independent Youth Work Projects in Dublin. We provide for an increase of more than €22m to address unmet demand, increased costs, and the lack of spaces. Youth worker salary must be improved, and vulnerable communities like LGBTQI+ and new Irish provided with increased supports. A €5m increase in funding for the Town and Village Renewal Scheme taking it to €25m would be focused on securing new youth, community, artistic and cultural spaces with this extra allocation supporting up to 80 more projects, while we expand the successful Community Centres Fund by €3m.

The community, voluntary and charity sector provides incalculable supports and services across our country, and we would invest in their work, staff, and volunteers. Significant funding has been lost from the Leader Programme and SICAP in recent years and we would implement increases for each. We would provide an annual support grant of €2,000 to Men's and Women's Sheds, expand the Community Engagement Programme to a further ten areas of deprivation, and provided increased funding for offshore islands, libraries, Senior Alerts Scheme and Meals on Wheels.

• 20% increase in funding for Youth sector and services to meet service demand, support vulnerable youth and improve salaries.	€19.3m
• Increase Leader Programme funding back to €55m a year.	€13m
• Invest in dedicated workforce skills, training framework and digitisation for the Community and Voluntary Sector (NTF).	€9m

• 25% increase for Town and Village Renewal Scheme and increase Community Centres Investment Fund to €20m (Capital).	€8m
• Bring Charity VAT Compensation Scheme to €15m.	€5m
• 10% increase in funding for the Islands.	€1.6m
• Expand Empowering Communities Programme to 10 deprived areas with hiring of more Community Engagement Workers.	€1.3m
• €2,000 annual support grant for Women's and Men's Sheds.	€1.2m
• Additional Funding for Outdoor Recreation and Walk Scheme.	€1m
• Increased funding to €9m to support and develop local libraries.	€0.9m
• Expand Senior Alerts Scheme to provide for assistive technology and expansion to adults with disabilities.	€0.5m

SPORT AND RECREATION

Sport and exercise benefit our health, and Labour would introduce capped tax relief on sports club and gym membership on the same basis as medical expenses. This is both a cost of living and health measure that will support families and young people.

The success of Irish athletes at the recent Olympics and World Athletics Championships shows the reward for investing in sport and Labour has long called for increased funding for the international carding system and national governing bodies. We would increase the betting levy by 1% to raise €55m to fund this. The FAI must improve governance and deliver reforms, but we remain committed to a range of football investments including a dedicated focus on grassroots and LOI football. We would allocate funding for new changing facilities for women and girls, and increased grants to promote inclusivity and access within sports clubs and organisations. There is enormous demand for playing pitches in communities across Ireland, and we provide funding for 50 additional community pitches in 2026 for towns with populations over 5,000, and this would form a key part of delivering on the vision of the FAI. There are 26 towns with a population over 10,000 without a public swimming pool and Labour would commit to funding an additional three a year over the next decade.

• Introduce standard rate tax relief on sports club and gym membership capped at €500 (Estimate).	€80m
• Increased investment in grassroots and League of Ireland football including new academy structures in League clubs and secondary schools.	€11m
• Improved changing facilities for women and girls, and new grants to promote gender equality.	€6m
• Double the number of athletes supports under the International Carding Scheme and increase individual payments by 10%.	€5.5m
• 10% increase in funding for sporting national governing bodies and Youth Field Sports programme.	€2.5m

CAPITAL

• Funding programme for delivery of community multi-sports playing pitches and equipment grants in 50 locations.	€25m
• Build three new public swimming pools a year.	€26.7m

DOMESTIC, SEXUAL AND GENDER BASED VIOLENCE

Labour would increase the budget for CUAN, to provide for more awareness and prevention campaigns, provide a 10% increase in funding for DSGBV services including refuges and Rape Crisis Centres, and a multiannual funding commitment. To meet the Istanbul Convention recommendation of one family refuge place for every 10,000 of population, Ireland would need well over 500 places. The current government strategy is to double provision to 282 places and based on 1 unit per 10,000 women rather than one place per 10,000 population. That means Ireland would still need at least 250 places, and our population continues to grow. A more ambitious five-year plan is necessary, and Labour would fund a further 50 emergency accommodation places every year above current plans, providing €8.75m for operating costs, and €28m in capital funding in 2026, and roll this provision forward in the years after that.

We provide funding for the calls in our July 2024 Dáil motion on Gender Based Violence including the introduction of a Commissioner to act as an independent advocate and voice for victims and survivors, the provision of effective training for legal professionals working in the area, and the speedier development of a comprehensive database of sentencing decisions.

• Funding for additional 50 refuge places towards meeting commitments under the Istanbul Convention (€28m Capital).	€36.8m
• 10% funding increase for CUAN funded DSGBV services including Rape Crisis Centres and refuges to cover cost pressures.	€6.1m
• Establish a Victims Commissioner, resource the sentencing database and guidelines, with training for legal professionals.	€2.5m
• CUAN core funding for awareness & prevention campaigns.	€1.2m

JUSTICE, POLICING AND HUMAN RIGHTS

Our communities need more Gardaí, so the offer for new recruits must be improved. Labour would resource An Garda Síochána to recruit an additional 1,000 trainees in 2026 and boost recruitment by increasing the training allowance of €354 a week close to the Garda starting salary, worth more than €700 per week. We would also provide enough funding to hire 200 more civilian staff, thus freeing up more frontline Gardai to patrol our streets and keep our communities safe. Over two years we would double the size of the Garda National Economic Crime Bureau and hire more forensic accountants to tackle money laundering, financial fraud, and corruption, and invest in expanding the Garda College (€5m), new Garda vehicles (€5m) and ICT to support modern policing.

Our Justice sector funding package would resource Fiosrú to reduce delays; provide for Coroners Support Staff and a new Coroners Service; and replace Gardaí as prosecutors at District Court level with state solicitors, to again free up Gardaí for frontline policing.

Prison overcrowding must be addressed by investing in the Probation Service to provide for greater use of Community Service Orders, alongside bespoke alternatives to counter recidivism and support social reintegration, with increased addiction, mental health counselling services, and education supports. We would increase criminal and civil legal aid funding and establish a dedicated forensic Unidentified Remains Unit.

• Resource the recruitment of 1,000 additional Garda trainees in 2026 and provide for at least 200 additional Community Gardaí.	€32m
• Expansion of the Garda College, new Garda vehicles and improvements to ICT and digital evidence management (Capital).	€25m
• Increase Garda Training Allowance to starting salary (estimate).	€14m
• Funding for an extra 200 Garda civilian staff and incentives to recruit back former and retired Gardaí in support roles.	€13.6m
• Over two years double the size of the Economic Crime Bureau.	€5.7m
• Increase funding and income thresholds for civil legal aid (€8.6m) and Criminal Legal Aid fee increases in line with pay agreements.	€15.9m
• Funding for the Probation Service and Prison Service supports.	€5.1m
• Justice sector funding for Fiosrú, Coroner Support Staff, Courts Service and Public Prosecutors at District Court Level.	€4.3m
• Establish a new forensic Unidentified Remains Unit.	€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. The revised NDP and recent supplementary estimates has provided the capital base now to progress the development of publicly owned reception centres and reduce the extensive costs of securing privately owned accommodation.

• Reduce Citizenship Fee to €500 and waive it for children.	€10.8m
• Raise Direct Provision payments in line with SWA.	€9m
• Extend Child Benefit to children in Direct Provision.	€11.5m
• New funding for anti-racism campaign through Asylum and Migrant Integration Programme.	€2m

DEFENCE AND NATIONAL SECURITY

The greatest risk to our national security is the reduced strength of our Defence Forces due to long running recruitment and retention issues, and the lack of capacity to patrol our territorial waters and airspace. Labour supports increased investment to meet the Level of Ambition 2 objective, but that will be wasted money if we can't manage to meet the current establishment strength of 9,500, never mind higher targets. Issues around pay, terms and conditions still need to be addressed and the working time directive implemented, starting with a time

and attendance system which we provide funding for. As recommended in the Commission report, a new Lance Corporal Rank and long service increments should be introduced but no costing was available on these. Several pay measures can be taken immediately including the introduction of an increased Navy Patrol Duty allowance, the implementation of the Working Time Directive, and an increase in the Daily Food Ration from €8 to €10.50.

The NDP provides for an increase in Defence capital spending of €85m in 2026 taking the overall allocation to €300m. Labour has previously outlined that we would deploy this to improve barracks and the acquisition of primary radar capability towards meeting the Level of Ambition 2 as recommended by the Commission on the Defence Forces. Recognising the changed threat environment and technological advancement, we would immediately move to acquire advanced sea and air patrol drone platforms like Sky Guardian and Sail Drone that Denmark is procuring.

• 50% increase in funding for the National Cyber Security Centre.	€5.4m
• Double Reserve Defence Forces and restore allowances, with provision for the Military Service Allowance for reservists.	€3.5m
• Increase the Daily Food ration by €2.50 to €10.50.	€1.7m
• Increase the Naval Patrol Duty Allowance by a further €50.	€1.2m
• Initial implementation costs for Working Time Directive (Capital).	€1.1m
• Introduce Lance Corporal Rank, WTD & long service increments.	TBD
• Seed funding for a new Institute for Neutrality and Peacekeeping.	€1.5m
• Prioritise the purchase of maritime drones and primary radar.	NDP

FOREIGN AFFAIRS

Labour would provide for a €300m increase in overseas development aid to take the overall allocation above €2 billion in 2026 and put Ireland on a pathway to meet a target of 0.7% of GNI by 2030. We would further increase the international climate finance budget and our contribution to the Loss and Damage Fund, and resource the Department for the European Presidency in the second half of 2026. We would also open a new Passport Office in Belfast funding the capital costs from the existing budget and purchase a new Passport printing machine in Cork to address capacity issues.

• Increase in funding for overseas development assistance, towards meeting Ireland's target of 0.7%/GNI by 2030.	€300m
• Increased allocation for 2026 European Presidency.	€50m
• Take International Climate Finance Budget to €250m.	€25m
• Passport Printing Office for Cork (capital).	€5.3m
• Staffing and operational costs for a Passport Office in Belfast.	€7.3m

EDUCATION



EDUCATION

INCLUSIVE EDUCATION

Labour welcomes that the government has taken up our proposal for a National Convention, but it must plan for a modern, secular, and equality-based education system, to separate Church and State, that will include a Citizen’s Assembly, the voices of young people and sectoral stakeholders. The school divestment process to multid denominational patronage must be reinvigorated and we provided increased funding to support this, and the reconfiguration of schools.

• Hold a National Convention on the Future of Education.	€1m
• Funding to provide for a renewed divestment model, reconfiguration grants and material costs for patronage change.	€3.1m
• Phase out subsidy for private fee-paying schools over 5 years.	-€28.8m

INTRODUCE DEIS+ AND TACKLE DISADVANTAGE

Labour has long called for the introduction of a new DEIS+ cluster model, as principals from some of the most disadvantaged areas in the country have called for and welcome the commitment in the Programme for Government. This would be a focused stream of investment to break the cycle of intergenerational poverty and trauma in areas with long term socio-economic and education disadvantage. Central to these calls are supports that include the expansion of the NEIC multidisciplinary team model to schools in their cluster, fully resourced and staffed nurture rooms, and expansion of the support teacher service. We provide a package of over €50m to tackle disadvantage in the education system, and there will need to be strong co-ordination with other agencies and the budgets provided for health, mental health, and disability therapies.

As part of a DEIS+ model, the City Connects pilot project in the NEIC provides a model for a comprehensive system of student support to ensure that every student receives all the services and resources they need to succeed and thrive in school and achieve their full potential. We propose expanding this to all DEIS Band 1 schools, beginning with new DEIS+ clusters. For many years Labour has called for an increase in dedicated funding for DEIS schools, and we provide allocations for reducing class sizes and increasing capitation for DEIS schools. We would extend the Summer School meals pilot to all DEIS schools and provide increased funding for the school completion programme to support children most at risk of early school leaving.

• Begin phasing in of DEIS+ within identified clusters.	€3m
• Expand City Connects programme to all DEIS Band 1 schools beginning with schools in DEIS+ clusters (first year costs).	€7.2m
• Cut DEIS schools class size ratio to 15:1 (phased, first year cost).	€5.5m
• Additional 100% increase in capitation for DEIS schools (first year cost) to cover increased energy and operational costs.	€18.2m

• Extend Summer School Meals Pilot to all DEIS schools.	€3.2m
• 10% increase in School Completion Programme funding.	€3.7m
• Appoint 20 additional Home School Community Liaison positions.	€1.7m

MAKE EDUCATION TRULY FREE

We want a fair start for every child, and Labour will make education truly free for parents. Labour would ban voluntary contributions and substantially increase capitation rates for schools to meet increased operating costs. Parents still face other costs, and every child should be supported for clothing and footwear costs by making the current means tested allowance universal and restore the €100 increase awarded in previous years. At present BTSCFA supports 264,000 children but there are over 980,000 pupils in our school system. We would extend Hot School Meals over four years to all remaining primary and second level schools with a focus on DEIS schools first.

We would permanently abolish State exam fees and invest a further €37m in the School Transport Scheme to make it free for all and provide enough additional places to meet projected demand. Labour's long running campaign for free schoolbooks has been delivered on but we would provide a further €15m for electronic devices to address the digital divide for use in the classroom and at home, and increased funding for the purchase of ingredients and materials in home economics and other practical subjects like wood technology and metalwork.

• Universal Back to School Clothing and Footwear Allowance at increased levels paid in 2023 (€260 for 4-11 and €385 12-22).	€250m
• Rollout Hot School Meals to all remaining schools over 4 years.	€48.7m
• Increase primary school capitation by €75 per pupil while banning voluntary donations.	€14.2m
• Increase second level school capitation by 20% per pupil while banning voluntary donations.	€28.6m
• Free School Transport and additional places to meet demand.	€37m
• New funding for digital devices under Free Schoolbooks Scheme.	€15m
• Permanently abolish State Examination Fees.	€12m
• Extra funding for Home Economics materials and ingredients.	€2m

SUPPORTING SPECIAL NEEDS EDUCATION

While significant progress has been made to increase the number of special education classes and schools, more coordination work is needed to ensure places are available locally at the start of the school year. Labour would deliver an Autism Guarantee that invests in better planning and provision to ensure suitable places and supports. To support inclusive education, we would fund a new post of responsibility, called an SEN Coordinator at an assistant principal rate in any school with 3 or more SET posts.

The Department was unable to give us projections for the SEN demographic requirements for the 2026/27 school year despite providing these costings in 2024 and 2025. Based on previous forecasts we have allocated an additional capital budget of €26.1m above the revised NDP to advance further classrooms and provide for an estimated 700 special education teachers and 1,200 Special Needs Assistants while suspending the implementation of the NCSE's SNA review process guidelines.

In other measures, we would recognise the contribution of SNAs by phasing out the 72-hour obligation for SNAs, provide funding for SNAs to reach a relevant QQI level 6 equivalent and increase Summer Programme Fees by 5%. As recommended in the report of the Oireachtas Special Committee on Autism we provide funding for an autism friendly audit of every school building over four years, and suitable CPD autism training for all education professionals, including free upskilling special education courses for teachers.

• Provision for 7,00 SETs and 1,200 SNAs for 2026/27 school year.	€28.4m
• Funding for special classes and schools in 2026 (Capital).	€26.1m
• Rollout of the Educational Therapy Support Service providing OT and SLT within more schools to all special schools.	€24.3m
• Phase out SNA 72-hour obligation and provide training to QQI Level 6 equivalent.	€7.6m
• Over two years develop Special Educational Needs Coordinators as a Post of Responsibility across the primary school network.	€7.1m
• Autism Audit of all schools (over four years) – capital costs.	€4.9m
• Increase Summer Programme Fees by 5%.	€3.1m
• Autism and Special Education CPD Training for school staff.	€1.5m

WORLD CLASS SCHOOLS

There is a crisis in teacher recruitment and retention that must be addressed, and Labour would establish a working group to propose solutions and commit to funding its recommendations on issues such as the prevalence of temporary and part time posts, incremental credit for teachers who work abroad and want to come home, the length of the PME, the restructuring pay of scales, and allowances for Irish and Gaelscoileanna, location and qualifications. Some of this may be addressed through local bargaining, but that will not be sufficient to ensure fully staffed classrooms. We will reduce class sizes at both primary and secondary level as Ireland has some of the largest in Europe, bringing primary schools close to the EU average of 1:20, and as already outlined increase capitation by over 20% as Ireland also has some of the lowest education funding in the OECD. Labour recognises the crucial role played by school secretaries and caretakers in our education system and we commit to providing the funds to ensure pension parity for these critical school staff.

Labour would also undertake a full review of the grant funding system for primary and secondary schools. The ICT grant was cut from €50m to €35m in 2025 but we would restore that missing €15m this year and increase the overall grant by 10% next year. The rushed introduction of Leaving Cert reform has created major concerns. Labour would double the

budget for laboratory modernisation and science equipment with a further €5m and create a pilot scheme to fund a lab technician for each of the 235 DEIS post-primary schools. The overall school capital budget will not increase in 2026 under the revised NDP but we provide a further €200m for increased investment in the building programme, school libraries and PE Halls. The Minor Works Grant has remained unchanged since 2006 and we provide for a 20% increase to reflect construction inflation.

• Establish a working group to address teacher recruitment and retention and commit to funding its recommendations.	TBC
• Reduce Primary School classes by 2 points to 1:21 (first year cost).	€11.2m
• Expand the Small Schools Pilot Project nationally.	€6m
• Reduce secondary school class sizes by 1 point (first year cost).	€22m
• Recruit school laboratory technicians for each DEIS post-primary school to support the new Leaving Cert programme.	€11.8m
• Extend the pilot counselling supports to all primary schools and at secondary provide a €20 mental health grant per pupil (first year costs) and increased guidance and counselling provision.	€9m
• Expand NEPS with 10 more educational psychologists and additional funding for critical incidents and capacity building.	€1.5m
• Provide increased supports for homeless, Ukrainian, and migrant children in the education system.	€5m
• Implement the National Traveller Education Strategy.	€1m

CAPITAL

• Expansion of school building programme after reduction in pupil-teacher ratios and provision for construction inflation.	€120m
• Increased School Library Funding.	€20m
• Ensure every second level school has a PE hall (over 5 years – ramping up to €70m in year 3, and €150m in year 5).	€10m
• Doubling of funding for modernisation of science equipment and laboratory upgrades.	€5m
• Provide a defibrillator for every school.	€7.9m
• Increase Minor Works Grant by 20% to reflect increased costs.	€6m
• Restore ICT grant to €50m and increase by a further 10% for primary and secondary schools.	€20m

SUPPORTING STUDENTS

Students remain under severe financial pressure due to the increased cost of living and accommodation crisis. We would cut student fees permanently by €1,000 with effect from this

college year. There needs to be a comprehensive review and reform of the SUSI grant system to both reflect the real cost-of-living and adjacency rates; 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 with an increased exemption for holiday earnings. In this Budget we would increase SUSI income grant limits by 10% and overall SUSI grant amounts by 15%. We also provide funding to increase PhD stipends to a minimum level of €28,000 and begin phasing in a grant to support students on mandatory placements.

We would increase the Student Assistance Fund by €9.1m with a dedicated fund for emergency accommodation and ensure students from International Protection qualify. We would allocate a further €7m to the Fund for Students with Disabilities to meet demand and extend both it and the SAF to the FET sector. We provide €4.3m to set up a Materials Fund for Creative courses and provide access to specialist software like Adobe Suite. The Department was unable to provide a costing for increasing the number of courses taught through Irish. We would abolish apprenticeship fees to incentivize construction careers and dedicate €100m a year to a programme to deliver publicly owned affordable and subsidised student accommodation through HEIs.

• Permanently reduce Student Contribution fee to €2,000.	€105.7m
• Increase SUSI grant income limits by 10%.	€14.5m
• 15% increase to SUSI grants and extend to part time students.	€30.1m
• Increase PhD stipends to €28,000 over two years.	€22.5m
• Remove Apprenticeship Fees.	€15m
• 50% increased uptake of postgrad grants and extend to full year.	€10.9m
• Double size of Student Assistance Fund.	€9.1m
• Increase Fund for Students with Disabilities to meet demand and extend to FET sector.	€7m
• Material Funds and specialist software fees for Creative courses.	€4.2m
• SUSI mandatory placement grant of €200 to help cover costs.	€4.1m

CAPITAL

• Additional direct State investment in Student Accommodation.	€100m
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FUNDING FURTHER AND HIGHER EDUCATION

Our goal is to achieve publicly funded education at all levels of the system. The Department was unable to provide costings for public sector pay or demographic costs or Funding the Future requirements in the further and higher education sector. Based on IUA estimates nearly €72m is required in 2026 to meet pay increases and just over €36m to cover demographic growth. There also remains historical funding shortfalls. Despite government plans to spend €1.5bn of the accumulated National Training Fund surplus of close to €2bn by 2030 across a range of measures, the NTF will still have an annual surplus in 2025 of €230m and Labour has long advocated for this sustainable revenue to be allocated to fund further

and higher education which provides the skills and talent that drive our economy. A portion of new state funding would also be ringfenced for supporting the mental and physical health of students and staff through the hiring of more counsellors and clinical staff in campus health services.

We commit to new capital investment in research infrastructure and laboratory equipment to replace PRTL and we would also increase research funding. Workers who want to upskill or change career after many years of contributions face barriers. Labour would fund skills vouchers and free part time third level courses from the NTF to give you the personal choice and freedom to pursue new careers or skills.

• Costs for public sector pay and demographics in the HEI sector.	€107.8m
• Address Funding the Future deficit (€45m) and rising operational costs from NTF with increased supports student and staff health.	€150.2m
• Introduce free part time third level and skills vouchers for those at work.	NTF
• Increase Research Ireland funding and provide for a further 50 principal investigator awards over 5 years.	€26.5m

CAPITAL

• New investment Programme in Research Infrastructure.	€100m
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HEALTH & DISABILITY



HEALTH AND DISABILITY

This Government is continuing to struggle to ensure that we have a health service that can meet the demands of the public, despite substantial supplementary estimates in 2024 of over €1.5bn and a further €1.2bn for 2025 - all as a result of poor forecasting and chronic underfunding in certain parts of the health service.

Unfortunately, there are a number of persistent issues that continue to dog the health service; outpatient and inpatient waiting lists, unfilled and suppressed posts, unacceptable waiting times in A&E, a gross lack of adequate mental health care, delayed early developmental checks, the inability to get assessments of need, and the struggle to be seen by a GP. We have an exceptional health service staff who are overstretched and undervalued.

There has been progress - but not enough. Tackling health inequality and ensuring access to public health services is at the very heart of Labour's health policy. We need to keep the vision of Sláintecare and an Irish National Health Service alive and on the agenda.

Labour's Alternative Budget 2026 will keep that vision alive by investing in four pillars:

- Community and Primary Care: building up primary care across Ireland to ensure that the public have access to the right care, at the right time, and crucially, in the right place.
- Staffing: filling unfilled positions and identifying and resourcing positions that were suppressed, which has impacted the delivery of timely care, staffing levels and staff morale, and the use of crucial equipment across hospitals.
- Investing in hospital bed capacity and health infrastructure.
- Disability Services: expanding Children's Disability Network Teams and addressing the backlog in assessments of need.

We need better forecasting over health spending and to find efficiencies in areas such as agency spending which is costing the HSE over €700m this year. There must be a commitment by the HSE to direct employment. We will provide over €1.1bn of new current spending in health and disability services, exclusive of nearly €300m for public sector pay costs.

CAPITAL SPEND

The Health capital budget up to 2030 of €9.2bn is insufficient, with an increase of only €100m in 2026 and with at least €3bn needed for the four new elective hospitals. Labour is providing a further increase above profile of €500m that will be available in future years to fund the additional beds and long-term residential care places needed to meet demographic demand and further increased allocations will be needed at the next three year review of the NDP.

Using €1bn of windfall receipts Labour would seed a Sláintecare Transition Fund to reinvigorate progress and dedicate €500m of that to support the rollout of electronic health records in the new Regional Health Areas. Over the coming years, Labour would seek to allocate further funding to the Transition Fund from any future windfall gains.

- Sláintecare Transition Fund with commitment to future increases. **€1bn**

COMMUNITY AND PRIMARY CARE

Central to addressing overcrowding in our acute hospital system and improving outcomes for patients is investment in community and primary healthcare. Labour would commit to fully staffing over 720 positions needed for the Enhanced Community Care Programme over three years costing €61m. This will support specialist teams for older people, chronic disease, healthcare networks and intervention teams.

Furthermore, Labour is passionate that the primary care centres around the country should do a lot more and provide a 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 such as dementia, diabetes, asthma, and a range of other conditions.

Urgent action is needed to address the backlog of early development checks for children through the Public Health Nursing (PHN) service. There are nearly 90 vacant funded PHN positions, and hundreds more PHNs are needed by 2031 if we are to ensure Sláintecare recommendations on child health and wellbeing are implemented.

Unfortunately, there is no even distribution of GP practices across the country, some patients face excessively long waits to see their GP's and we know that some GPs are hugely over stretched in meeting the demands, particularly in rural practices and those in less well-off areas. Labour would substantially increase and better target the paltry GP urban social deprivation grant and would allocate €10m to this. We would also establish a €20m fund to help GP's establish new services in disadvantaged areas and this would be allocated to capital set up and operational running costs. We would also fund the training of a further 20 new GPs a year above the current 350.

There is an immediate need to secure and expand existing GP provision in economically deprived areas while longer term plans are developed to ensure sufficient GP coverage across the country. The HSE must commence a salaried GP programme for up to 50 positions to provide immediate support in rural and socio-economically deprived areas.

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 provide free GP care to all children under 12, expanding eligibility for 200,000 children aged 8 to 12, with a further phased extension of free GP care to all aged 18 and under over the next two years.

Pharmacists play a crucial, often undervalued role, in the provision of primary care in the heart of our communities. We welcome the new Community Pharmacy Agreement and expansion of prescribing rights for pharmacists. We believe there needs to be a greater focus on dispensing to vulnerable people and the €20m saving from phased dispensing must be allocated to this, plus there must be an extension of the hardship fund. The DPS must be reduced to €50 per month.

• Extend free GP care for all children aged 8-12.	€24.6m
• Staffing of Enhanced Community Care Programme (over 3 years)	€20.5m
• Increase and target the GP Urban Social Deprivation Grant, fund an extra 20 GP training places, and provide for 50 salaried GPs.	€15.9m

• GP Establishment Fund to support set up in disadvantaged areas.	€20m
• Funding for new Community Pharmacy Agreement, Chief Pharmaceutical Officer, and reinstatement of phased dispensing.	€53m
• Phased addition of Asthma and IBS, Crohn's Disease and Ulcerative Colitis to the Long-Term Illness Scheme.	€30m
• Targeted health screening and mental health assessment for young people who turn 18 through sports, youth and other clubs.	€15m
• Recruit an additional 120 Public Health Nurses, provide more training places and restore at-home developmental checks.	€11m
• Primary Care Centre funding for community diagnostics and assessment hubs, and other related services.	€5m
• Ongoing rollout of direct GP access to echocardiograms.	€2.7m

REDUCE OUT OF POCKET PRIMARY CARE COSTS

• Reduce Drug Payment Threshold to €50/month.	€78.3m
• Phase out prescription charges over two years, with reduction to 50c per item and cap of €5 a month in 2024.	€53.1m

VALUING STAFF

Labour would resource and implement a comprehensive workforce planning strategy to support the training, recruitment and retention of staff and address the impact of conditions on staff morale. These linked issues must be addressed in collaboration with higher education institutions, including ensuring that graduates in areas of shortage and significant need are offered permanent contracts upon completion of their courses.

The health service is still suffering from the 2,000 vacant positions that were suppressed since 2023. As of March 2025, there were approximately 6,500 additional posts for filling in 2025 while remaining within the HSE's 2025 WTE limit. The Department was unable to provide a costing for the staffing of the new Children's Hospital as it was under discussion.

Meanwhile in 2024, over €725m was spent on agency staff, even higher than the €650m in 2023. In that year €146m was spent on nursing agency staff which was enough for over 2,000 WTE positions. In 2025 up to May, €331m has already spent on agency, leaving the health service on track for another record. There will always be a need for some flexibility and agency staff, but clearly many of these should be full time positions.

The health service needs an additional 2,000 nurses and midwives WTEs for each of the next three years to provide ongoing service improvements and meet demographic demands, and we allocate €146m for 2026. We would implement the Framework for Safe Nurse Staffing and Skill Mix, underpin it in legislation and fully fund Phase 2 in 2026 across all Emergency Departments at an estimated cost of €10m and ensure Phase 1 in wards is operational, and begin planning for Phase 3 in community and long-term care.

Following the WRC agreement, staff in many Section 39 and Section 56 organisations delivering health, social and other vital community services through service level agreements will now have a level of pay parity with their counterparts in the public service and we provide a costed €84.6m in 2026 to implement pay rises.

We will introduce funding to include healthcare workers with long-covid within the occupational illness scheme. The Government appear set in 2026 to abandon these workers who sacrificed much for public health in the early days of the pandemic, sometimes with poor equipment and without vaccination in the early stages of COVID. The housing crisis is a key barrier to the recruitment and retention of staff. The HSE has a portfolio of more than 250 vacant buildings, and we are providing €24m to refurbish a portion of these to provide affordable accommodation for healthcare staff.

We would continue to invest in improving conditions for Non-Consultant Hospital Doctors, carry out a review of the success of the NCHD Taskforce report recommendations and invest further in post-grad medical training places. As of the end of June only 3,858 of 4,336 consultant posts are filled on a permanent basis, with 312 approved vacant posts, so much work is needed to address this and improve staffing.

• Fund 2,000 additional nursing and midwife positions in 2026 funded through Agency saving reductions.	€146m
• Phase 2 funding of Safe Nurse Staffing and Skills Mix Framework.	€11.9m
• Section 39 and 56 funding for staff salary increases.	€84.6m
• Key Worker Housing - refurbish vacant HSE property for use as accommodation for health staff (once off funding).	€24m
• Dedicated occupational illness scheme for healthcare workers with Long Covid.	€14.5m
• Improving conditions for NCHDs and more post-grad places.	€5m

BED CAPACITY AND HEALTH INFRASTRUCTURE

Safe staffing and safe hospital occupancy levels depends on the provision of appropriate bed and health infrastructure capacity. Labour would provide an additional €600m of capital investment to deliver a mix of new beds as the first step towards building a modern, fit for purpose national health service.

We provide additional capital funding for the delivery of a further 300 acute beds, 20 ICU beds, and a mix of step down and rehabilitation beds. Labour strongly supports public long-term care and would invest in 140 new community nursing home beds every year. In total 5,000 additional public hospital beds will need to be funded by the end of 2030. University Hospital Limerick is chronically underfunded compared to the national average for other Model 4 hospitals, and we would address this allowing it to hire more staff, and resource the upgrading of an existing hospital in the region to a Model 3 facility with an Emergency Department.

• Operating costs for new hospital beds (exclusive of other staffing and service commits in Labour's Health proposals).	€138m
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NEW CAPITAL

• Funding for 300 additional acute hospital beds as part of a five-year programme to deliver 1,500 total, above existing plans.	€320m
• Provide 140 new Community Nursing Home beds a year.	€111m
• Develop 75 new Step Down/Transitional Care beds, and 75 new Rehabilitation non-acute beds.	€101m
• Funding for new Midwest ED and Model 3 hospital upgrade.	€25m
• Deliver a further 20 ICU critical care beds in 2025.	€36m
• Increased capital investment in primary care centres, diagnostic equipment like PET scanners, and upgraded infrastructure to support cancer care.	€7m
• Phase 2 An Saol Residential Facility for people with Acquired Brain Injury.	€25m

ELECTRONIC HEALTH RECORDS

The delivery of the Digital for Care strategy, electronic health records and improved ICT across the health service is essential to boost productivity, improve outcomes and provide quicker access to care. €190m of capital is allocated in 2025 alongside current funding of €372m for digital health services. Estimates for the rollout of electronic records in each of the new HSE regional health areas could be €200m per region or €1.2bn total with annual operating costs of €40m for each, on top of existing levels of service costs. The proposed future budget will not be enough, and Labour would allocate a long-term fund of €0.5bn from windfall revenue to increase existing and planned capital funding by €100m a year and provide €40m in new operational funding for 2026 above the allocation for existing levels of service.

• Increased operational funding for ICT improvements above ELS.	€40m
• Additional capital for digital health records over next 5 years.	€500m

DISABILITY SERVICES

There is massive unmet demand for disability services as outlined under the Disability Capacity Review and the commitments in the Disability Services Action Plan. Labour is committed to funding these essential services. We allocate €210m in new funding to provide for the service improvement planned in 2026 covering residential care, day services, PA hours and home support, respite care, and therapy services including Children's Disability Network Teams.

Disability Services Action Plan - Funding for new measures.	Total:	€210m
• 200 new CDNT WTE posts as per roadmap.		€15m
• Adult multi-disciplinary services (€16.6m total)		€5.3m
• 1,210 additional day service places (of 3,650).		€41m
• 10% increase in respite services budget		€12.5m
• 800,000 additional Personal Assistant hours.		€25m

• 40,000 additional Home Support hours.	€1.3m
• 300 new residential placements (costing dependent on level of acuity).	€109m
• Ongoing funding for de-congregation (Capital over 3 years for 500 moves).	€42m

Other measures we would take include:

• Complete rollout of community neuro-rehabilitation teams.	€6.5m
• Extension of Personalised Budgets Pilot Project to 3,000 people.	€2m

A commitment to hiring at least 200 additional CDNT posts next year is essential to the Progressing Disability Services (PDS) programme and meets the commitments contained in the Roadmap for Service Improvement in relation to Disability Services for Children and Young People. There also remains over 360 funded CDNT posts currently vacant and better workforce planning is needed.

Even with extra funding in 2026 too many children will be waiting for assessment and therapy. There will be around 13,000 applications for an Assessment of Need under the Disability Act in 2025, with 18,593 overdue at the end of June. Tens of thousands more children are waiting for therapies under Children Disability Network Teams. We provide an additional €15m in 2026 under the Waiting List Initiative to outsource AONs for the 5,000 children waiting longest while capacity is built up in the public service.

• Additional funding for Targeted Waiting List initiative to provide diagnostic assessments for children.	€18m
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MENTAL HEALTH

Significant new funding is required for mental health services in 2026, with €95 for new service development. We have addressed ELS and community costs in other budget lines. Labour would target investment to improve CAMHS services to reduce waiting lists, ensure teams are fully staffed and develop new beds and care pathways. A key priority is perinatal mental health and the opening of the in-patient Mother and Baby unit. There is an urgent need for 24/7 emergency mental health crisis support, including referral pathway to out of hour CAMHS services for all major hospitals. We will also focus on increased supports and staffing for the national clinical programmes covering eating disorders, ADHD, early intervention in psychosis and dual diagnosis to build up teams and develop the right model of care.

• New Mental Health funding to support implementation of Sharing the Vision, and adequate resourcing of CAMHS.	€95m
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GENERAL SERVICE IMPROVEMENTS

• Greater Medical Card provision and €1,000 increase to income limits, including provision for those with a spinal cord injury.	€38m
• Funding for new drugs and treatments for rare diseases.	€25m

• Increased funding for Cancer treatment including improved access to radiology and drugs, and expanded Cancer Screening.	€23m
• Development funding for the National Cancer Strategy.	€20m
• Provide free Winter Flu Vaccine to 50-59 year olds (estimate).	€16m
• Increased funding for the National Maternity Strategy, and the employment of more midwives and obstetricians.	€12.5m
• Increase staffing on the Public Dental Service with an extra €5m in funding and lift DTSS fees by 10%.	€12m
• Expand free Contraception Service from 35 up to 45.	€10m
• Fully resourced acute stroke units with 69 extra WTEs.	€8m
• Increased funding for National Ambulance Service.	€6.6m

TARGETED SERVICE IMPROVEMENTS

Fund Dementia Model of Care recommendations over 3 years.	€14.5m
Multiannual funding for homeless health and addiction facility in Ushers Island and increase Drug and Alcohol taskforce budgets.	€13.9m
Funding for Women's Health including an endometriosis centre of excellence, public IVF and free of charge sanitary products.	€9.5m
Additional cost for full year rollout of free HRT.	€10m
Fund implementation of the National Breastfeeding Action Plan; provide for an extra 35 hospital based-, and 20 community based-lactation midwives; and develop a Milk Bank.	€5.5m
Increased funding for children's palliative care.	€5.1m
Set up a taskforce to develop a 10-year National Diabetes Strategy and fund continuous glucose monitors.	€5m
Establish a national Clinical Genetics Service over two years.	€4.5m
Funding for Scoliosis treatment and spinal surgeries abroad.	€2m
Refund the Laura Brennan HPV Vaccine catchup programme.	€1.5m
Multiple Sclerosis physiotherapy service and Sligo-Leitrim post.	€1.1m
Access to gender affirming healthcare services.	€1m
Funding for sexual health services, HIV reduction and STI clinics.	€1m

REDUCE OUT OF POCKET HOSPITAL COSTS

Reduce car parking charges by half in public hospitals with free parking for patients.	€5.7m
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LABOUR BUDGET 2026 - BALANCE SHEET

Table 1 – Overview of Financial Commitments

Government Initial Budget Package for 2026 composed of:	€9.4bn
A. Tax Package	€1.5bn
B. Capital Increase	€2.0bn
C. Current Spending for new measures	€2.8bn
ELS Demographics, Public Sector Pay (PBO Estimate)	€3.1bn
D. Labour net revenue increases	€3.2bn
Total Labour Budget Package for new spending (A+B+C+D):	€9.5bn

NET TAXATION AND REVENUE MEASURES

Tax receipts in Ireland have become increasingly concentrated on income and corporation taxes. As recommended by the Commission on Taxation and Social Welfare, there is a need to broaden the tax base. The Labour Party would increase taxes on wealth rather than on work, and close loopholes that allow the rich to save millions. In government we would begin detailed design work to introduce a net wealth tax along the lines of the Spanish with an annual recurring levy of 1% on assets worth over €2m excluding (up to specified limits) the family home, pension assets and family businesses and farms.

Table 2 – list of proposed tax raising measures and tax expenditures.

WEALTH TAXES - TOTAL	€1.667bn
Increase Bank Levy to a net €500 million.	€500m
Increase Dividend Withholding Tax to 33% on REITS & IREFs (estimate).	€362m
Increase CGT by 3%.	€249m
0.3% increase in Stamp Duty on Shares and apply to share buybacks.	€206m
2.5% increase Stamp Duty on Non-Residential Property to 10%.	€195m
Increase CAT by 3%.	€77m
Abolish CGT Section 604A relief (based on 2023 figures).	€76m
Stamp Duty of 20% on bulk housing purchases including apartments.	€2m

ENVIRONMENTAL TAXES – TOTAL	€921m
20% Windfall Levy on Energy Company profits.	€476m
€7.50 increase in Carbon Tax.	€157m
Levy of €20/MwH on Data Centre energy usage.	€140m
Weight based VRT charge on heavy and large cars such as SUVs.	€86m
€50 a tonne Waste Recovery Levy.	€72m
Reduced rate VAT on bicycles, e-bikes and safety equipment	-€10m
PAYROLL AND INCOME TAX CHANGES – NET TOTAL	€141m
3% indexation of Income Tax and USC credits and bands.	-€720m
Phased 0.5% increase of Employer and Self-Employed PRSI (first year).	€780m
Withdrawal of Tax Credits on incomes over €100,000 (first year).	€465m
Phase out Help to Buy tax relief scheme.	€225m
Refundable €400 Energy Tax Credit.	-€270m
Increase Rent Credit to €2,000.	-€175m
Capped tax relief on Sports Club membership fees and reduced VAT on exercise classes.	-€80m
Introduction of LEAP TaxSaver commuter refund tax relief.	-€65m
End Special Assignee Relief Programme.	€48m
Restoration of trade union subscription tax relief.	-€37m
Introduce a Home Retrofit Tax Incentive capped to incomes of €100,000.	-€30m
OTHER TAXES AND EXPENDITURE CHANGES – TOTAL	€484m
50% Phase out of refundable element of R&D tax credit on MNCs.	€452m
Extension of 9% VAT rate on electricity and gas supply to end of 2026.	-€254m
Improved tax collection rates.	€100m
Apply excise to e-liquids containing nicotine and 50c on tobacco.	€100m
1% increase in Betting Duty.	€55m
5% AVMSD Content Levy.	€50m
Remove charge for half yearly and quarterly Motor Tax payments.	-€35m
HSE Recovery of Benefits and Assistance Scheme.	€16m
Minimum €5,000 Vacant Homes Tax and taxed at 10 times LPT base.	€5m
Increase Charity VAT Compensation Scheme to €15m.	-€5m
Net Total	€3.2bn



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