

Labour Alternative Budget 2018 - briefing note

Key messages of Labour's Alternative Budget:

- Labour's Budget is fully-costed and progressive
- Proposing tax cuts when the Budget is so tight is irresponsible. We will not do this, and have instead focussed on investment in public services
- Our plans include funding for 5,000 public houses to be built in 2018, and for the full implementation of Sláintecare
- Our proposals will significantly reduce the cost of raising a family – childcare costs, college fees, school costs and medical costs will all be reduced under our proposals
- Want to cut poverty and improve services, build homes and hospitals, employ teachers and healthcare workers

Chapter 1 - Decency, Justice and Equality

Key points:

- Investing over €200m to ensure that the value of welfare payments is not eroded by inflation
- A minimum living wage of €11.70 for all public servants and childcare workers
- Restoration of weekly payment rates for under 26s
- Tax justice: repeating our call for a Standing Commission on Taxation

Revenue raising measures in 2018:

- Making sure every company pays their fair share – ending refundable R&D tax credits for companies not paying any tax, and doubling the bank levy to recognise that banks are paying no corporation tax (yielding €350m)
- Taking on tax evasion by high earners (yielding €40 million)
- Spending the right money on housing (increasing commercial property stamp duty and abolishing the help to buy scheme yielding €228m, with this invested in public housing instead)
- Increasing Carbon Taxes to recognise that we need a much more serious effort to combat transport emissions (yielding €220.2 million)
- Asking employers to pay a little more to fund third level education (yielding €42.5m)
- Tobacco excise, sugar tax and increased betting duty (yielding €140 million)

Chapter 2 – Tackling the Crises in Health and Housing

Health key point: Sláintecare, a fully costed 10 year plan to revolutionise our health service was launched five months ago with cross-party political support. We are proud to have played our role in helping to shape this progressive vision for our health services. Unfortunately, since then no progress has been made by Government, while other parties continue to launch their own alternative proposals. Bluntly, other parties are reneging on their commitment to Sláintecare. We will not do so.

Our key proposals:

- Removal of hospital inpatient charges in 2018
- Reduce prescription charges by €1, and halve Drug Payment Scheme threshold for single headed households
- Expansion of counselling and psychology in primary care
- Universal primary care, and free GP care expansion (from September 2018)
- Increase health and wellbeing budget, and development of child health and wellbeing service – including funding of HPV vaccine for boys, and flu vaccine for all
- Additional home care and home help packages
- Expansion of services for people with disabilities

Housing key point: It is clear that the private housing market has failed. There are not enough homes being built, and the Government social housing building programme is too slow to get off the ground. Labour is proposing a massive investment in public and affordable housing in 2018.

Our proposals:

- Labour is committing just under a billion euro to fund an extra 5,000 public homes in 2018 (3,000 houses, 2,000 apartments)
- There are nearly 700 local authority sites and a further 30 plus owned by public bodies available for housing, consisting of over 17 hundred hectares. At a density of only 50 units per hectare, this is enough land for 85 thousand homes or more at higher densities.
- Our proposal would bring to nearly 11,000 the number of public homes in 2018
- It's projected NAMA will have more than €3b when it completes its work in 2020. Instead of winding it down, Labour wants to broaden NAMA's remit to provide social and affordable housing, and rebrand it as the National Housing and Development Agency.
- NAMA shouldn't be restricted to only funding private developers- and should play a central role in the provision of affordable housing through approved housing bodies.
- Providing an extra €20.2 million towards Housing Adaptation grants for people with disabilities.
- Extension of Living City Initiative to large towns including Drogheda, Dundalk, Ennis, Carlow, Portlaoise, Athlone, Sligo, Mullingar, Wexford

Chapter 3 - Tackling the cost of raising a family

Key point: The Government is determined to press ahead with tax cuts worth between €2 and €4 to middle income earners, and nothing to those on low incomes. Investing in childcare, schools and college can have a much bigger impact on family budgets.

Our proposals:

- We want to reduce school costs for parents- including increasing capitation, post-primary book rental schemes, and €50 increase in back to school clothing and footwear allowance
- Reduce primary school and second-level class sizes
- Affordable childcare: increase to state subsidy of childcare to €1.50 an hour, with a freeze on childcare fees
- An additional two weeks paid parental leave (to be shared between both parents)
- Childcare workers hugely undervalued- upskill staff and make sure they're on the living wage

- College fees should not rise; they should go. We are proposing to reduce student contribution by €1,000 in 2018, eliminating fees by 2020.

Chapter 4 - Leading Richer Lives

Arts and Culture key point: Arts and Culture are an intrinsic part of society. We've heard much in the past year about the importance of investing in the arts, but little corresponding action.

Our proposals:

- Expand the opening hours of cultural institutions such as the National Museum, IMMA to National Gallery and Crawford Gallery in Cork City
- 20% increase to Culture Ireland, Arts Council, Irish Film Board, all national cultural institutions, all regional museums, galleries and cultural centre, on the way to doubling funding for arts and culture over 5 years
- A new pilot scheme to fund the construction of artists spaces by local authorities

Justice – key point: There have been too many scandals in AGS over recent years; public trust in policing in Ireland has been badly damaged. While we wait for the new commission on the future of policing to report in 2018, there are improvements that can be made.

Our proposals:

- Recruit 800 extra Gardai in 2018 (aim of returning to previous peak Garda levels of 14,500 plus by 2021)
- More civilian staff to free Gardai for front line duties: we've budgeted for 200 civilian staff
- Rollout of CCTV programme to combat rural crime

Overseas Aid key point: Labour has always been a leader in taking our role in the wider world seriously. Ireland has significant needs, but we are a wealthy, developed country, and should play a bigger role in supporting countries in need.

Our proposal: To increase the budget for Overseas Development Aid by €64m (a 10% increase) in order to meet our national target of 0.7% of GNI by 2025. (In comparison, Sinn Féin proposed only a €5m increase)

Chapter 5 - A Green Revolution

Key point: Labour believes it is time for a green revolution that can ensure a just transition to a carbon free future.

Our proposals:

- Time for State to provide a small subvention to support ongoing public bike scheme costs (20c per public bike journey)
- 2% increase to funding for Dublin Bus, Bus Eireann, Iarnrod Eireann to make public transport a more sustainable option
- Solar Panels to be installed in all public schools over four years; €24m in 2018, rising to €100m total cost
- Introduce a 5c levy on non-compostable coffee cups with effect from January 1st.