

**BUILDING
A SHARED
PROSPERITY**

Labour's Alternative Budget 2017

INTRODUCTION

The Labour Party is presenting an alternative budget today, because we believe that a fully costed, progressive budget is possible. With the chaotic nature of the current Government, we have a responsibility to have proposals ready that can be implemented if the need arises.

The amount of funding available for investment next year is limited. We don't believe that using a third of this money to give people a tax break likely to equate to as little as the price of a coffee each week will have a real impact on people. The direct 2:1 split proposed by Fine Gael at the election was, we believe, rejected by the Irish people.

Instead, we believe that we should plan towards tax reforms in future years, but focus in the first place on making a step-change investment in some of the supports that our people need.

Tax justice is an important principle that will continue to underpin Labour Party proposals. We propose an increase to the bank levy, and we believe this should remain in place until the banks have fully run down their tax loss reserves and resume the payment of corporation income tax at the normal rate.

We have proposed that every company operating in Ireland should have to pay a minimum effective rate of corporation tax. This would underpin public confidence that anyone operating in Ireland, including major companies, pays a fair share of tax. The Department of Finance refused to cost this proposal.

We also propose to increase the funding available in 2017 through the introduction of a sugar tax, 20c increase on the price of cigarettes, and a small increase to the National Training Fund levy paid by employers.

Because we believe that investment in public services will best deliver for the Irish people in the short-term, we propose a total investment of €1.74bn in 2017. 70% of this will be spent on current expenditure; 30% will be spent on capital investment.

We are confident that this investment can deliver a shared prosperity – one that works for children, young people and families; and one that can deliver a greener, safer, brighter future.

Our investment of €177m in children and young people will deliver a universal childcare system for all children under the age of 12. In the first year, costs will be capped at €4.25 an hour for parents, and parents will be able to access this service for up to 40 hours per week, 48 weeks per year. We have also allocated substantial funding to make sure everyone working in early years care and education earns at

least the living wage; and that they have the chance to gain higher level qualifications.

Labour would increase the pension and child benefit by €5 each. And we would go much further – we are the only party to propose index-linking all social welfare payments, so that as inflation rises, the incomes of those taking home the very least in our society don't get continually eroded.

We propose to reintroduce dental care for all those in employment. Visiting a dentist can be a huge expense, and we believe that this measure will underpin the contributory principle that should remain the bedrock of our social insurance system.

In health, we propose to reduce prescription charges to €1 per item, and are providing for a total investment of €375m on top of the supplementary budget already provided earlier this year.

The Labour Party believes that our society is much richer than just an economy. Even with a constrained budget, we have made significant commitments to funding the arts, and to growing our Overseas Development contribution. That would be something all of our people could be proud of.

On top of these proposals, we have outlined a significant investment in our infrastructure. From public bike schemes and solar panels in schools; to building houses and schools and hospitals, these investments simply make sense.

There will be no giveaway budgets this year. But there will be choices. We're making the choices that we believe will best deliver for the people of Ireland. As we rebuild the Labour Party, we will play our part in building a shared prosperity for all our people.

| Area of investment | Budget allocation |
|-----------------------------|--------------------------|
| Children and Young People | €177m |
| Health | €375m |
| Education | €268m |
| Social Protection | €361m |
| Transport | €166m |
| Justice | €27m |
| Housing | €266m |
| Arts & Overseas Development | €40m |
| Public Sector Pay | €68m |



The Party with

a progressive, responsible outlook

STICKING TO THE RULES

The table contained in the Summer Economic Statement, reproduced below, sets out the Department of Finance's position on the available fiscal space for Budget 2017. The Labour Party is committed to a responsible increase in public spending, and we have adhered to the fiscal rules by only increasing this space where direct revenue raising measures are proposed.

The projections set out in the Summer Economic Statement precede the upward revision in GDP announced by the Central Statistics Office in the summer and the outcome of the Brexit referendum. Labour has supported the Government proceeding with the full utilisation of the fiscal space particularly in light of the decline in the projected Summer Economic Statement tax surplus evident in the most recent exchequer returns. The party continues to believe that reforms to the fiscal rules are required to facilitate a greater increase in capital investment and remain sceptical about the purpose of the 'rainy day' fund when debt is falling and additional spending is necessary.

Table 1.1 Indicative allocation of available net fiscal space 2017-2021

| €billions | 2017 | 2018 | 2019 | 2020 | 2021 | Cumulative |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net fiscal space | 1.0 | 1.2 | 3.0 | 3.1 | 3.0 | 11.3 |
| Allocated to: | | | | | | |
| Expenditure | 0.67 | 0.79 | 1.38 | 1.46 | 1.44 | 5.74 |
| <i>Current</i> | <i>0.61</i> | <i>0.61</i> | <i>0.95</i> | <i>1.02</i> | <i>0.98</i> | <i>4.17</i> |
| <i>Capital</i> | <i>0.06</i> | <i>0.19</i> | <i>0.43</i> | <i>0.45</i> | <i>0.46</i> | <i>1.59</i> |
| Taxation | 0.33 | 0.39 | 0.59 | 0.62 | 0.61 | 2.54 |
| Rainy Day Fund | 0.00 | 0.00 | 1.00 | 1.00 | 1.00 | 3.00 |
| Memo item | | | | | | |
| Total additional capital | 0.25 | 0.75 | 1.18 | 1.38 | 1.59 | 5.14 |

The net fiscal space is €1bn and is divided by the Government between spending and tax reductions on a 2:1 ratio.

However, additional spending of €250m on the capital side comes at the cost of only €60m of the fiscal space because of the 4 year rounding rule.

This is an important point to underline – for every €1 that is devoted to capital spending, that state can spend €4 in 2017, and smooth out this cost over a four-year period. The Government proposes to spend an additional €60m in 2017, which under this rule becomes almost €250m. In cash terms then the package planned by the Government is approximately €1,190m.

The Labour Party has increased this overall space by increasing the amount allocated to capital to €130m, allowing for expenditure of €520m in 2017 due to the same rule (an increase of €270m over Government proposals). We have also proposed new taxes amounting to €350m.

Therefore, by disregarding tax cuts and increasing our focus on capital spending, we have increased the total cash value of the Labour Party's alternative budget to €1.39bn. Within this amount, we are committing to current and capital spending increases of €1.74bn, broken down on a two-to-one basis between current spending (€1.22bn or 70%) and capital spending (€0.52bn or 30%). These are partially offset by revenue raising measures.

TAXATION MEASURES

In 2017, the fiscal space available for investment in tax reductions and spending increases is incredibly limited. We don't believe that spending a third of the available money on tax cuts that might only buy a cup of coffee each week is justifiable at a time when our public services require significant investment. The direct 2:1 split proposed by Fine Gael at the election was, we believe, rejected by the Irish people.

In the last Budget, we began the process of equalising tax credits for the self-employed. We propose the continuation of that policy during 2017, but we do not propose any further income tax changes this year.

The available funding will grow considerably once Ireland reaches the EU-mandated Medium-Term Objective. At that point, there will be enough room to both invest in public services while reducing the burden of taxation, and we will make proposals to reduce the burden on low and middle income earners. We absolutely believe that reform of our tax system is needed, particularly for those on low and middle incomes.

But for 2017, we propose a meaningful investment that will give our people services that they need – not tax breaks that will barely make a difference.

The Labour Party strives for justice in our tax system. Ireland has a progressive income tax system, but there remain unfair elements to our tax system that need to be ironed out.

We have proposed that every company operating in Ireland should have to pay a minimum effective rate of corporation tax. This would underpin public confidence

that anyone operating in Ireland, including major companies, pays a fair share of tax. The Department of Finance refused to cost this proposal.

The bailout of our national banks remains the source of a deep and lasting hurt amongst the Irish people. At present, banks can write off loan losses against profits, thereby reducing the tax they have to pay. We propose, as we have previously, to increase the bank levy by €150m to recoup this tax foregone.

We propose that this higher rate should remain in place at this rate until the banks have fully run down their tax loss reserves and resume the payment of corporation income tax at the normal rate.

We will ask companies to pay an extra 0.1% on the National Training Fund levy, as a contribution towards the cost of our third-level system.

And we will take on cheating and fraud in our tax and social welfare systems. Through the recruitment of additional Revenue staff and investment in debt analysis tools, they have already been able to target €75m in compliance interventions during 2016. We think they can achieve a further €38.5m in 2017. And tackling fraud and errors in social welfare can yield a further €20m, while the introduction of a recovery of benefits and assistance scheme in the Health sector could yield a further €16m based on what has been achieved in the UK.

The Government is proposing massive increases to the inheritance tax thresholds while in office. We believe this is a disproportionate tax break for inherited wealth, but accept that some adjustment to the thresholds is appropriate. Instead of massive one-off changes, we propose that inheritance tax thresholds should be index-linked. This will be part funded by restricting eligibility for the dwelling house exemption under inheritance tax to a single primary residence.

2017 COSTS:

- Increase to earned-income tax credit from €550 to €1,100: €45m
- Increased bank levy: Yield of €150m
- 0.1% increase to National Training Fund levy: Yield of €67.1m
- Improved compliance and reduced fraud measures: Yield of €74.5m
- 1.5% increase to inheritance tax thresholds: €4.5m
- Restricting eligibility for the dwelling house exemption: Yield of €3m

AN AMBITIOUS INVESTMENT IN PUBLIC SERVICES

The Labour Party believes that now is the wrong time for tax cuts. Under EU spending rules, the Budget will be much more flexible in future years, but remains exceptionally tight for the coming year. We therefore argue that all of the available funds should be used to invest in protecting the incomes of those earning least in our economy, and to invest in public services and infrastructure.

The investment of €1.39bn that we propose to make in infrastructure and public services will allow us to make some step-change improvements in diverse areas such as childcare, opportunities for young people, improving the incomes of those who earn the least, and addressing the needs of children with disabilities. Without making the decision to pause additional reductions in tax, we could not achieve as much in these areas. That is a choice we have made, and we believe it to be the right choice.



The Party for

Children and Families

AN AMBITIOUS PLAN FOR AFFORDABLE CHILDCARE

Our State has never invested enough in young children and their families. Labour will make high-quality, affordable childcare for all children under 12 a reality, and dramatically increase the level of spending on early years education and childcare.

Last year, we announced an additional free pre-school year. This year we are proposing to go much further. We would cap the cost of childcare for all children under 12 to €4.25 per hour for up to 40 hours of childcare a week. This would apply on a full-time or part-time basis, to meet the needs of parents in different situations, at a cost of €71m.

But care and education for young children needs to be more than affordable - it must also be top quality, as our children deserve. A high quality childcare sector depends on a skilled workforce with decent pay and fair conditions. Our policies would ensure that those who provide childcare services are trained, respected and paid appropriately. We would immediately begin to train at least 60 per cent of staff in the early year's sector to degree level (Level 7 on the NQF) by 2025. We would also implement a 10 per cent increase in allocation to the learner fund, providing free access to level 6 qualifications for early years staff. We would make this investment because highly skilled staff can provide the best quality of care and education to children.

Average pay across the childcare sector, including senior staff, has been estimated at €10.27 per hour. This prevents people from building sustainable careers working with young children. Our proposals would provide the funding to increase minimum pay in the sector to at least the Living Wage of €11.50 during 2017. We will build on this step in future by putting sustainable pay scales in place for all staff.

The first year of a child's life is the most important, and all evidence suggests that children do better when cared for by their parents during that first year. We need to move towards a system that allows parents to spend a year at home with their newborn children.

Labour delivered two weeks of paternity leave in Government, recognising that fathers should have the opportunity to bond with their new-born children.

We propose an additional four weeks paid parental leave. This leave will be shared between both parents, with a use-it-or-lose-it clause built in to prevent mothers from always having to bear the responsibility of parenting during these early years.

2017 COSTS:

- Funding Labour's universal childcare scheme : **€71m**
- Upskilling staff in the early years sector: **€0.99m** (ten year programme at a total cost of €39.6m)
- Implement the living wage of €11.50 for all childcare workers : **€62.6m**
- Enhanced learner fund: **€0.15m**
- Additional four weeks shared parental leave: **€42m**

SMALLER CLASS SIZES

Irish class sizes are significantly higher than international norms. Smaller class sizes provide more time for a teacher to spend with each child, and have been shown to have a particularly positive impact on young children and those in disadvantaged communities.

In the last budget, we reduced class sizes in primary schools back to their smallest ever level. We also improved the guidance counselling staffing and leadership of second-level schools.

We will continue to cut class sizes to an historic low, continuing with our ambition to reach an average class size of 20 within five years, and putting an end to any classes with over 30 pupils.

We will also improve the staffing of second-level schools, to provide guidance and counselling to all students, and to increase subject choice.

We are making the investment necessary to make sure that every teaching principal has one day away to spend on administration and leading teaching and learning in our schools.

2017 COSTS:

- Reduce primary school class sizes by 1 point: **€6m**
- Reduce pupil-teacher ratio in second-level schools to 18:1 (17.25:1 in DEIS schools): **€15.7m**
- Provide every teaching principal with one administrative day per week: **€4.2m**

REDUCING SCHOOL COSTS FOR PARENTS

Parents pay too much for young children to go to school. We propose to reduce the cost of education for parents.

Labour in government provided an additional €15m in ring-fenced funding for schools which established book rental schemes to reduce costs for parents. We expanded school meals programmes and made sure that parents were consulted about the uniform policies of schools.

We propose increased funding to schools by €10 per child in 2017, increased to €20 per child for any school that agrees in writing to put an end to the practice of requesting voluntary contributions and other charges to parents.

Over recent years, funding of €5m per year was spent expanding the number of book rental schemes in primary schools. As a result, such schemes are now operating in 94% of schools, reducing book costs for parents by at least 80%.

However, at second-level, only 65% of schools report having a book rental scheme, and books are much more expensive at this level. We therefore propose a new three-year scheme, at a cost of €5m each year, to give funding to second-level schools to establish book rental schemes.

We also call on the Government to enact the Admission to Schools Bill this year, to put an end to the practice of charging parents to apply for a school place.

2017 COSTS:

- €10 increase to capitation, raised to €20 for schools that end voluntary contributions: **€14.4m**
- Seed funding for post-primary book rental schemes: **€5m** (capital)

RECOGNISING THE INCREASING COST OF LIVING

It is our view that child benefit needs to increase to €155 a month by 2021. This measure is of central importance in beginning to tackle child poverty. Therefore in our Budget 2017 proposals we are funding a €5 monthly increase for both Child Benefit and the Domiciliary Care Allowance. This will cost €75.1 million in 2017. The revised rates will be €145 for Child Benefit and €314.50 for Domiciliary Care Allowance.

Security in retirement is central to building a more equal, secure and prosperous society. We have provided for a €5 increase in the old age pension costing €154.8 million. This will take the standard contributory old age pension rate to €238.30 per week. This is still below 35% of average weekly earnings and will have to be addressed in future budgets.

Three in five workers do not have an occupational pension and, according to the Pensions Authority, will not have an adequate income in retirement. In addition, fewer women have occupational pensions than men and of those that do, the savings rate is lower and the total duration shorter. Labour is calling upon the

Government to move in 2017 to introduce a new workplace pension system to ensure pension provision for every worker.

We are determined to eradicate child poverty as despite progress over recent years, one in nine children in Ireland still live in consistent poverty. We have committed to increasing the Living Wage, investing in childcare and ensuring decent, secure jobs are available. However, most social welfare payments have not increased since 2009. The rate of inflation for 2017 is projected to be 1.5%.

Labour has also provided €123 million to index link all other welfare payments. This is to ensure that social welfare payments do not suffer a real cut in value. Index linking will ensure the real monetary value of social welfare payments is maintained.

2017 COSTS:

- €5 weekly increase to state pensions: **€154.8m**
- €5 monthly increase to child benefit and domiciliary care allowance: **€75.1m**
- Indexation of other welfare payments: **€123.2m**



The Party for

Healthier Communities

A SUGAR TAX AND TOBACCO TAX

THAT PAY FOR TEETH AND HEALTHCARE

The introduction of a sugar tax has been long discussed in Irish public policy. It is now time to respond to the obesity crisis and stop long fingering the solutions needed. This should be levied on a volumetric basis and can be expected to have a significant public health impact, particularly for children. A rate per hectolitre of €24.64 or 10c per can is predicted to yield €101.3 million from the off trade alone, and we project a further 11% of sales from the on trade in the overall first year yield.

Labour is proposing that the €112.4 million yield from this sugar tax, alongside a 20 cent increase in tobacco prices yielding €28 million be ring fenced investment in a number of health spending commitments, awareness programmes, and early intervention supports for children.

Further, we are committed to providing all of those in work with access to free biannual scale and polish, extended gum cleaning, fillings, extractions, root canal treatment, x-rays, dentures and denture repairs. The full year cost of this proposal would amount to €75m, but we understand this will need to be introduced after negotiation with representatives of dentists, and so we have provided for this matter to begin from July 2017.

This preventative and restorative care will also yield long term savings in the acute health services and reduce reliance on antibiotics, and it will reinforce the contributory principal which underpins the social insurance fund.

Dental care for children is also an enormous issue. There has been a significant reduction in the extent to which preventative care and screening is taking place in schools. As a result, many children are seeing their dentist for the first time at far too late a stage in their development. There are currently 300 staff in the public dental service. We propose to increase this to 350 in 2017, and to 400 during 2018, with staff directed to focus on the oral health needs of children in the first instance.

2017 COSTS:

- Sugar tax: **Income of €112.4m**
- Tobacco taxes: **Income of €28m**
- PRSI dental benefits: **€37.5m**
- 50 additional staff in public dental service: **€3.75m (€7.5m full year)**

CARE IN THE COMMUNITY

A society that cares about families must also care for older people. We need to better help older people to lead independent lives. Labour in Government protected vital supports for older people including the State Pension, Free Travel Pass, Living Alone Allowance and free TV licence.

We also published the National Carer's Strategy and protected a range of income supports to underpin this strategy. As part of our spending plans for next year, we will move to ensure there is adequate funding for every home care package that is needed in the State.

Currently a total of €143 million is available to resource home care packages. We propose to provide the funding to ensure that every one who needs a package can access one so that people who are able to return home can do so, be supported to do so, and ensure resources in our hospitals are efficiently and effectively used.

Home help hours are just as valuable in supporting older people to live in their own homes, and stay connected to their own communities.

We are providing for a 10% increase in home help hours to bring the number of home help hours back to the peak level of 11.7 million hours during 2017. This measure will cost €20m next year.

A Community Intervention Team (CIT) is a nurse-led health professional team provides a rapid and integrated response to patients in the community. By providing these services in the community we can reduce the pressure on our acute hospitals by reducing the number of admissions, or facilitating the early discharge of patients.

The network of Community Intervention Teams around the country is patchy, with no uniform service provided. We need to move towards a consistent approach across the country, with all relevant disciplines available in every area.

We are providing €10m in funding to expand these teams during 2017, to deliver at least a 12 hour, 7 day service in every region.

To reduce overcrowding in our hospitals further, we are proposing to fund an additional 300 beds in the acute hospital system during 2017. This will further alleviate pressure on A&E units in particular.

2017 COSTS:

- Additional home care package funding: **€18.2m**
- Funding of 1.3m additional home help hours: **€20m**
- Enhanced funding for Community Intervention Teams: **€10m**

EARLY INTERVENTION TEAMS

FOR ALL CHILDREN WITH DISABILITIES

Labour is committed to securing equality of opportunity for all children with disabilities. That is why we are providing €53.5 million to begin fully staffing early intervention teams. This will provide for a total staffing of 3,885 whole time equivalents by phasing in over 5 years.

We propose to recruit 780 staff each year over five years. By 2021 the full year cost would be €268 million. This will fully clear the backlogs that exist that prevent children from accessing the early intervention teams, occupational therapists, physiotherapists and speech and language therapists they should be entitled to under the Disability Act.

Over five years, this will see the recruitment of an additional 917 speech and language therapists, 934 occupational therapists, 1019 physiotherapists and 1015 child psychologists.

2017 COSTS:

- Recruitment of 780 additional staff across disciplines: **€53.5m**

PRESCRIPTION CHARGES

Prescription charges for medical card holders have risen too high. Investing in keeping these costs low makes it more likely that people will take the medication they need, when they need it. The current charge per item is €2.50.

Under Labour's alternative budget, we will reduce the prescription charge to €1 per item, subject to a cap of €10 per month. This will prevent those who fall seriously ill from experiencing significant charges for their medication.

2017 COSTS:

- Reduction in Prescription charges: **€69m**

DIGNIFIED MATERNITY SERVICES

Labour proposes that we need to implement in full the recommendations of the new National Maternity Strategy. In particular, we need to work to overhaul the current service model so that women see the most appropriate professional based on their need.

To begin this work, we are proposing the immediate recruitment of additional midwives and obstetricians, so that our hospitals have enough expert staff to begin progressing other recommendations.

2017 COSTS:

- Increasing number of midwives by 300 - **€18m**
- Increasing number of obstetricians by 50 - **€8.2m**

BETTER MENTAL HEALTH

For five years, Labour Ministers have fought to ring-fence mental health funding within the overall health budget. We expect that will be continued this year, and will oppose any efforts to move away from this.

The Counselling in Primary Care service was launched in July 2013, and is a free counselling service for adult Medical Card holders. Over 13,500 people can avail of the service each year. We propose to open up access to this service to all young people aged 16-25, recognising that young people can be particularly vulnerable to mental health difficulties.

The Jigsaw programme aims to ensure that every young person has someone to turn to and talk to in times of crisis and difficulty. Targetted funding over recent years has seen Jigsaw introduced to 10 communities across Ireland. Another 35 locations should be reached over the next five years, and we have provided funding to get the first 5 of these started in 2017.

Over recent years, we introduced a new comprehensive framework strategy for suicide prevention: Connecting for Life. We have also significantly increased spending on suicide prevention in order to introduce additional Suicide Prevention Resources Officers, Emergency Department specialists and Suicide Crisis Assessment Nurses.

We need to build on this work, and we propose the recruitment of 25 specialist suicide prevention nurses during 2017, with that number to grow in future years.

2017 COSTS:

- Access to counselling in primary care service for 16-25 year olds: **€7m**
- 25 specialist suicide prevention nurses: **€0.2m**
- Expansion of Jigsaw programme to five further locations: **€4m (€6.25m full year)**
- Continue to ring-fence mental health funding



The Party for

Young People

BEGINNING TO INVEST IN HIGHER EDUCATION

The Expert Group on Future Funding of Higher Education has found that our third-level sector badly needs a long-term strategy for funding. By 2030, the sector will need an additional investment of around €1bn, and we need to start immediately taking steps towards that. Unfortunately, the Government has kicked this report to touch, but Labour is proposing immediate steps in the right direction.

We will increase the National Training Fund levy on employers by 0.1%, and legislate to allow for the proceeds of the National Training Fund to be used for funding of higher education. We have already drafted the necessary legislation for this measure. This measure, which has been recognised as necessary by IBEC and other bodies, will see employers pay a slightly higher contribution towards the costs of third-level.

This funding will be used for three purposes. Firstly, we will provide increased funding to the third-level sector to meet demographic growth, making sure that class sizes don't get larger just because student numbers grow. Secondly, we will provide ring-fenced funding of €10m for the development of Technological Universities in Dublin, Munster, the South East and Connaught-Ulster – to date such funding has been top-sliced from the funding available for all colleges, but we believe it needs a dedicated funding stream. Lastly, we will provide a fund of €30m for investment in minor capital works and equipment across our third-level colleges.

These proposals won't fix all of the problems that exist in the third-level sector, but they are an important start.

2017 COSTS:

- 0.1% increase to the National Training Fund levy: **Income of €67.1m**
- Increased funding of higher education to allow for demographic growth: **€21m**
- Funding for the development of Technological Universities: **€10m**
- Minor capital works and investment in equipment: **€30m**

REDUCING THE BURDEN ON STUDENTS

College provides young people with incredible and sometimes life changing opportunities. No young person should miss out on those opportunities because of an inability to pay.

For too long, the growing cost of funding third-level has been borne by students and their families. As well as asking companies to pay a little more towards these costs, we think it is time for the state to bear a greater share of the costs.

As a first step, in 2017, we will reduce the student contribution by €500, replacing this element with state funding at a cost of €37m.

We will also move to reinstate postgraduate grants, supporting an estimated six thousand students from next September.

For a variety of different reasons, students can struggle with financial hardship throughout their college lives. And students with disabilities often have unexpected costs that other students don't have to face. We will provide an increase of 7% to the funding available to the Student Assistance Fund and the Fund for Students with Disabilities.

2017 COSTS:

- Reduction in student contribution by €500: **€37m**
- Reinstatement of postgraduate grants: **€40m**
- Increase to Student Assistance Fund and Fund for Students with Disabilities: **€1m**

TOWARDS A SKILLS REVOLUTION

In government, we expanded apprenticeships beyond a focus solely on construction-related trades, and developed 21st century apprenticeships in 25 new areas, including catering, financial services and ICT. This has allowed women to participate in apprenticeships to a significant degree for the first time, but a lot more needs to be done in this area.

Next year we pledge to spend a further €10m to allow a further 2,000 young people to begin apprenticeships during 2017. We also propose that SOLAS be tasked with setting a target for participation by women over the course of the next year.

We also believe the number of places on the highly successful JobsPlus programme should be increased by 2,000 to help more young people secure employment. And we propose a €10 increase in jobseekers payments to those under 25, along with an increase to €188 per week to the Back to Education Allowance for young people.

Combined with our proposals to reintroduce postgraduate grants, these proposals will provide over 10,000 young people with high-quality opportunities to prepare them for sustainable and sustaining employment.

2017 COSTS:

- 2,000 Additional Apprenticeships: **€10m**
- 2,000 Additional JobsPlus places: **Net income of €2.2m (cost of €9.1m offset by corresponding reduction of €11.3m in live register costs)**
- Cost of improving jobseeker payments to young people: **€15.7m**

INVESTING IN YOUTH SERVICES

The overall allocation for the Youth Service Grant Scheme in 2016 was €10.149 million. This scheme funds highly successful programmes all across the country, which are aimed at the social education of young people.

Because of a shortage of funding, this scheme has been closed to new applications. This means that where an organisation closes down, there is no opportunity for a new organisation to be created to meet a pressing social need.

These programmes respond to the real needs of young people, and we believe they are worthy of investment.

2017 COSTS:

- 5% increase to Youth Service Grant Scheme: **€0.5m**

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FOR WORKERS'
RIGHTS

The Party for

Decent Work



CHANGING THE MANDATE OF THE LOW PAY COMMISSION

The derisory increase of 10 cent proposed by the Low Pay commission combined with a projected rate of inflation of 1.5% will result in a real decrease for those on low pay in 2017, and falls well short of anticipated average earnings growth in Ireland this year.

Labour secured two increases in the minimum wage in the last Government and we will continue to champion improved living standards for working people.

Six months after this Government was formed, they have yet to provide any guidance to the Low Pay Commission to even allow them to work towards the Government's target of €10.50 per hour, let alone a real living wage of €11.50 per hour.

We propose to change the mandate of the Low Pay Commission to target a minimum wage of 60% of median earnings by 2021 to deliver a living wage for all. We argued that the minimum wage increase for next year should have been €0.50 per hour, raising the minimum wage to €9.65 per hour. To prevent people from losing this increased income to tax, we propose an increase to employer and employee PRSI bands.

2017 COSTS:

- Changes to employer and employee PRSI bands: **€14.8m**

A LIVING WAGE FOR ALL PUBLIC SERVANTS

The Government should lead by example.

As a first step we propose that a living wage should be the base salary point in the civil service. The Department of Public Expenditure and Reform was not able to provide costings for applying this to the entire public service. Over the next twelve months, we will work to determine the exact number of people earning less than a living wage across the public sector, and the cost of increasing their pay to at least €11.50 per hour.

Data based on Civil Service staff only indicates that some 7% of staff (FTE) in the Civil Service are on salary points less than €22,203 (the annualised equivalent of a 37 hour week on the living wage), with the majority of those on points in the range €20,000 to €22,000. The Civil Service accounts for 12% of public servants.

While working to assess the levels of low pay across the entire public sector, we propose to immediately bring all civil servants up to the living wage.

2017 COSTS:

- Ensuring a minimum of the Living Wage for all Civil Servants: **€3.9 million**

A LIVING WAGE FOR THOSE WORKING WITH YOUNG CHILDREN

Many staff in the childcare sector currently earn the minimum wage. This leads to rapid staff turnovers, and prevents us from building a well-educated, top quality workforce in the childcare sector. Indeed, the average pay across the entire sector, including senior staff, has been estimated at €10.27 per hour.

This prevents people from building sustainable careers working with young children. Our proposals would provide the funding to increase minimum pay in the sector to at least the Living Wage of €11.50 during 2017.

2017 COSTS:

- Living wage of €11.50 for all working in childcare: **€62.6m**

ACCELERATING PUBLIC SERVICE PAY RECOVERY

In the public sector, we need to begin negotiations to speed up the implementation of the Lansdowne Road Agreement - the risk of industrial unrest spreading across the public sector is a very real one.

In Government, we revisited the Haddington Road Agreement early. We see no reason why the same can't be done with the Lansdowne Road Agreement. Labour believes that negotiations should begin immediately with a view towards providing a roadmap to full pay restoration for all public servants, and we have budgeted for some acceleration of the Lansdowne Road Agreement.

We also believe that 2017 should see the start of a broader social dialogue, that involves public servants in discussions about investments in the public services that they work in and care about, and not just about their pay.

2017 COSTS:

- Allowance for an acceleration of Lansdowne Road Agreement: **€50m**

A BETTER DEAL FOR YOUNG TEACHERS AND NURSES

In Government, we put in place an agreement for new entrant firefighters to remove any pay inequalities between them and longer serving firefighters. That agreement has been broadly repeated for teachers, and accepted by them. We support that agreement, and have budgeted appropriately for it.

Nurses and midwives who entered the public sector between 2011 and 2015 have lost out on incremental credit for the 36 week clinical placement undertaken by 4th Year Student Nurses. We believe it is time for this incremental credit to be restored.

2017 COSTS:

- Agreement with INTO and TUI on new entrant pay: **€10m**
- Incremental credit for 36 week clinical placement for nurses and midwives: **€4m**



**The Party for
a Cleaner, Greener,
Safer, Brighter Future**

INVESTING IN THE ARTS

Labour believes that arts and culture are an intrinsic part of society. Policy in this area must foster and strengthen the creative capacity of all of our citizens and communities, giving them opportunities for arts participation, while also supporting the world class artists we produce. We have an extraordinarily rich cultural heritage that is being added to every day by our remarkably talented artistic community.

As a first step towards the restoration of badly needed funding for the arts, we propose a 10% increase should be granted to the Arts Council, the Film Board and Culture Ireland. Within the lifetime of this Government, we believe a reasonable objective would be to increase funding to the arts and heritage by €150m.

To further support this objective, we also propose the retention of the €48.8 million allocated for Commemorations to the Department of Arts Heritage Regional, Rural and Gaeltacht affairs, and for that money to be ring-fenced for allocation to The Arts Council and the Film Board, and the Heritage Council.

Funding alone will not be enough. Over the coming year, we will be developing further policies to reform the social welfare system to allow artists to pursue their careers with dignity; to extend the focus on the arts in education charter; and also to streamline the funding applications which artists and arts organisations are overburdened by.

2017 COSTS:

- 10% increase to funding of Culture Ireland: **€0.6m**
- 10% increase to funding of the Film Board: **€1.4m**
- 10% increase to funding of the Arts Council: **€6m**
- Retention of €48.8m for commemorative programme: N/A

SOLAR PANELS IN SCHOOLS

We support diversification of the renewable electricity portfolio.

Community owned energy projects have the potential to transform our energy system. Communities all over Europe are creating projects where they own and are actively involved in running an energy resource.

There's a good deal of work to be done to develop community ownership of energy projects across Ireland, not least of which is removing the bar that prevents communities from profiting from the sale of excess energy to the national grid.

While waiting for such changes to be made, we think the public sector can set the lead, and we think a good place to start in Ireland is with the installation of solar panels on the roof of the local school.

With 4,000 schools across Ireland, installing solar panels on all of our schools could provide half of the energy our schools need, while helping our children to understand the benefits of switching to clean sources of energy.

Over four years, our proposal is to do exactly that.

2017 COSTS:

- **€24m in 2017, rising to €100m full cost**

SUBVENTION FOR AND EXPANSION OF PUBLIC BIKE SCHEMES

The introduction of public bike schemes has been an incredibly positive development in cities across Ireland. It was a Labour Party councillor, Andrew Montague, who first proposed the establishment of the Dublin bikes scheme back in 2004, and it got up and running in 2009.

With Labour in Government, new schemes opened in Cork, Limerick and Galway. And last year, there were 4.4m journeys taken on public bikes across Ireland.

We now think it is time for the state to provide a small subvention to support the ongoing running costs of these schemes. Councils shouldn't be entirely dependent

on new advertising hoardings to pay the cost of the schemes, and so we propose that Central Government provide a subsidy of 20c for every journey taken on a public bike.

We also think it is time to start extending these schemes, including beyond our major city centres. The National Transport Authority has received applications from Waterford City, Tallaght and Dun Laoghaire to establish new public bike schemes, and we propose to fund the capital costs of those. We also propose to give the necessary funding to Dublin City, Cork City and Limerick City to expand their schemes.

During 2017, we will conclude our consultations on how to implement a 'bike to school' scheme to incentivise the purchase of bicycles for children, along the lines of the hugely successful 'bike to work' scheme.

2017 COSTS:

- State subsidy of 20c per public bikes journey: **€0.9m**
- Funding capital applications in Waterford, Tallaght, Dun Laoghaire, Dublin City, Cork City and Limerick City: **€24.9m (capital)**

SUPPORTING CYCLING AND GREENER PUBLIC TRANSPORT

When we expand access to public bike schemes, we also need to improve the road conditions for cyclists. The Greater Dublin Cycle Network Plan was developed by the National Transport Authority in conjunction with the local authorities in the Greater Dublin Area, and published in 2013. The cycle network planning for the four regional cities of Cork, Limerick, Galway and Waterford are underway.

These plans comprise thousands of kilometres of new routes and refurbishment of existing routes. Much of this work will be carried out as part of planned improvements to larger bus rapid transit projects. But there are many projects specific to cyclists, and these deserve priority too.

We propose an 8-10 year project to fully deliver the full development of the cycle networks in Dublin, Cork, Limerick, Galway and Waterford.

The electrification of the Maynooth line would comprise the electrification of the Sligo line as far as Maynooth Station and Pace Station, and some upgrades to the existing signalling system. In addition, it would be necessary to remove the existing level crossings on this section of line in order to operate trains at enhanced frequencies.

We also believe that our public transport systems should benefit from greater public subsidy. We support the implementation of a multi-annual funding mechanism for the CIÉ companies, but in the meantime, we propose an immediate 2% increase to the public subvention of each company.

2017 COSTS:

- Funding for development of cycle networks: **€60m (capital)**
- Design and planning for electrification of the Maynooth line: **€5m (capital)**
- 2% increase to funding of Dublin Bus: **€1.2m**
- 2% increase to funding of Bus Éireann: **€0.8m**
- 2% increase to funding of Iarnród Éireann: **€2.2m**

SAFER COMMUNITIES

An Garda Síochána is entitled to the support of the Government, and taxpayers are entitled to expect that the Government makes sure Garda resources are deployed efficiently and effectively.

Families and communities also need- and deserve- safe, secure, flourishing communities where children can play safely, and families and older people can live without fear.

In government we pressed for the introduction of the new Policing Authority, a long-standing Labour Party policy.

We restarted the recruitment of Gardaí, and in our alternative Budget we provide for the recruitment in 2017 of an additional 800 members with the aim of returning to the previous peak Garda levels of over 14,500 by 2021.

We will also make the necessary investment to boost community policing. This will ensure that Gardaí can more effectively serve their towns, villages and parishes so that people can see our police force on our streets - by deploying an additional 300 community Gardaí in 2017.

The Garda Inspectorate has also recommended that more civilian staff should be recruited to free up Gardaí from front-line duties, and we have budgeted for 200 such staff to be taken on during 2017, allowing 200 Gardaí to resume front-line work.

In late 2015, we started a pilot programme in Dunmore, Co. Laois to begin combatting rural crime. We now want to rollout a national programme to install CCTV cameras on motorways, and propose that this fund will operate on a matched-funding basis with contributions from communities or local authorities.

2017 COSTS:

- Recruitment of 800 additional Gardaí: **€17.6m**
- Deployment of 300 community Gardaí: **€0.25m**
- Recruitment of 200 civilian staff: **€4m (€8m full year cost)**
- Rollout of CCTV programme to combat rural crime: **€5m (capital)**

TAKING OUR ROLE IN THE WIDER WORLD SERIOUSLY

While money is tight for the 2017 Budget, we remain a wealthy developed nation. As a society, we are proud of how our own country has developed, and we are a generous people.

We believe that the international target of 0.7% of GNI for investment in overseas development aid is a reasonable one, and one we should strive to meet.

As a first step, we propose to increase the ODA budget by 5% in 2017. We also propose that a multi-annual series of increases to our ODA budget be agreed during 2017, with a view to finally reaching the target of 0.7% of GNI.

2017 COSTS:

- 5% increase to ODA Budget: **€32m**



The Party for

Supporting Critical Public Services

CONNECTING OUR COUNTRY – INVESTING IN ROADS

Labour is committed to delivering on the M20 Cork to Limerick motorway, which we believe is crucial for the continued economic development of the region, job creation, and as a potential hub for further trade and foreign direct investment.

Labour in Government allocated finance for preparatory work for the Northern Relief Road at Mallow, which will encompass any M20 project and for 2017 we commit €10 million to the planning stage of the motorway.

We understand the importance of connectivity and need for high quality roads throughout the country to ensure balanced regional development. In our spending plans for next year, we provide sufficient funding for immediate approval of all national road projects where planning has already started.

This would allow for building to start on:

- the N7 Naas to Newbridge Upgrade,
- the N22 Ballyvourney to Macroom,
- N59 Moycullen Bypass,
- N56 Mountcharles to Inver (section) and N56 Dungloe to Glenties (section).
- Construction could begin on the following roads in 2018: M8/N40/N25 Dunkettle, N4 Collooney to Castlebaldwin, N5 Westport to Turlough.

2017 COSTS:

- To begin planning for M20 Cork to Limerick motorway: **€10m**
- Immediate approval for all national road projects where planning has commenced: **€61m**

INVESTING IN HOMES

Every person should have access to quality, secure, affordable housing, appropriate to their needs. Labour in government put in place a massive social housing plan worth €4bn.

We support the expansion of this programme under the Rebuilding Ireland action plan, but we believe more needs to be done earlier in the programme. By prioritising investment in capital infrastructure, we have been able to increase to €200m the sum available to local authorities to buy or build new homes.

We also support the allocation of an additional €70m to fund the expansion of the Housing Assistance Payment.

We also propose a 50% increase in state funding for housing adaptation grants.

2017 COSTS:

- House purchase and construction: **€180m**
- Housing adaptation grants: **€15.8m**
- Increased HAP funding: **€70m (current)**

EDUCATION AND HEALTH

We also propose an expansion of the existing capital programme in the areas of health and education during 2017.

On the education side, we believe a sum of €50m is required to allow school building projects that are shovel-ready to be given the approval to begin construction. There are reports of schools being delayed, and this can't be allowed to continue if we are to reach our objective of eliminating prefabs from our schools by 2020.

We are also proposing the installation of solar panels in all of our schools over the next four years. To get this programme started, we have allocated a sum of €24m.

Major investment in our third-level colleges is also required. While large, eye-catching projects often get the most attention, we think the starting point should be funding smaller capital projects that make learning environments fit for purpose, along with investing in the equipment our students need to be able to learn to use. We have allocated €30m to begin this work in 2017.

Health also requires increased funding, particularly to begin the construction of badly needed hospital beds to free some of the overcrowding from our A&E units. We have allocated €50m for this work during 2017.

2017 COSTS:

- Expansion of school building programme: **€50m**
- Installation of solar panels in schools: **€24m**
- Minor works and equipment in third-level: **€30m**
- Additional health capital: **€50m**