



PEOPLE BEFORE PROFIT

SOCIALISM FOR THE 21ST CENTURY



RECOVERY FOR ALL

Pre-Budget Submission 2019

A Message to Our Constituents

Budget 2019 takes place in the context of an economic recovery that has yet to benefit many working people. Fine Gael repeatedly claim success for economic growth, but they have left 800,000 people living in poverty, 250,000 of whom are children. This would be a tragedy in a poorer country, but in one of the wealthiest countries in the world, it is nothing short of disgraceful. Over the last 12 months the crises in housing and healthcare have also intensified, with record numbers unable to access basic shelter or medical treatment.

The government pays lip service to these problems but continue to implement policies that make them inevitable. People Before Profit have a much more ambitious vision for Irish society.

Through targeted measures on corporations and millionaires we could scrap the Universal Social Charge, provide 20,000 new housing units and create a thousand beds for the public health service. In addition, we could make public transport free for everyone, reduce the pupil teacher ratio to 1:22 and spend €500 million on rural broadband. This would go some way to eradicating intergenerational disadvantage, but it would also be deemed unacceptable by an economic system set up to protect the interests of the 1%.

One example of this system came out recently when the Comptroller and Auditor General confirmed that the very richest people in the state are paying hardly any taxes. A quarter of those with wealth of over €50 million paid less than an average PAYE worker, with a further 40 paying less than €120,000. Another example is the fact that next year Irish banks will legally cut €925 million off their profit tax bill by drawing on historic losses.

Instead of this recovery for the rich, People Before Profit wants one that flows to everyone in society. We aim to give relief to middle income earners without hurting the poorest and most vulnerable. In addition, we aim to create state led employment to protect workers from the potential instability of Brexit, whilst providing a safety net and social services that we can all be proud of.

For all of this ambition, however, the adjustment being proposed here is hardly radical. It proposes collecting an extra €18 billion or an increase in the total tax take from 33% to 43% of GDP. This would put the state around the average level of public spending in the European Union, but such is the nature of tax haven Ireland that this will never be granted without mass movements on the streets and in the workplaces.

We present **Recovery for All** as a small contribution to this struggle for social solidarity and genuine equality. That is, for socialism in the 21st century.



Gino Kenny TD



Brid Smith TD



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Summary Of Budget Proposals

REVENUE	Millions €	EXPENDITURE	Millions €
CURRENT		CURRENT	
Double the Corporation Tax Take	7,159	Housing	250
Increase Employer PRSI by 2%	1,423	Healthcare	2,957.25
Financial Transactions Tax	219.6	Education	1,234.7
Taxing Onshoring IP	721.8	Transport	706.4
Levy on the Banking Sector	925	Childcare	450
Levy on the Pharmaceutical Industry	460	Public Sector Pay	1,440
Remove Reduced VAT Rate for Hospitality and Tourism Sector	490	Social Protection	2,606
Replace USC with High Income Charge	-2004	Local Government	561
New Tax Bands for those Earning above €100,000	2,100	Arts	214
Abolish Local Property Tax	-231	International Aid	892
Idle Land and Vacant Property Tax	187.5	CURRENT TOTAL	11,311.35
Wealth Tax on Millionaire Households	3,752	CAPITAL	
Cut Pension Relief for High Earners	134	Housing	3,435
Increase Capital Gains Tax to 40%	202	Childcare Facilities	550
Remove the Help to Buy Scheme	37	Renewable Energy	750
CURRENT TOTAL	15,575.9	Transport and Broadband	934
CAPITAL		CAPITAL TOTAL	5,669
NAMA Cash	1,254		
ISIF Cash	865		
CAPITAL TOTAL	2,119		
REVENUE TOTAL	17,695	EXPENDITURE TOTAL	16,980.35
OVERALL SURPLUS	714.65		

Introduction

Over the last two years the Irish economy has grown at more than three times the European average, with a headline rate of 7.3% for 2017 and 8.9% predicted for 2018.¹ The levels of wealth in the country are also now historically high, with total assets standing at €727 billion.² This is more than enough to provide first rate public services, and yet, Ireland consistently languishes at the bottom of quality of life measures for the people who live here.

Figures from the Euro-Health Consumer Index in 2017 reveal that Ireland has some of the worst hospital waiting times in the European Union.³ This is borne out by National Treatment Purchase Fund figures with 707,000 now waiting for some form of medical intervention – the highest figure in the history of the state.⁴

The cost of childcare is also now extremely prohibitive. A survey of 34 countries by the OECD Family Data Base reveals that Ireland has the most expensive childcare costs across the developed world –coming in at 40% of average wages versus 17% more generally.⁵ The state also ranks among the worst offenders on a range of environmental measures thanks to decades of underinvestment in renewable energy. ⁶ Meanwhile, the housing crisis continues to intensify with 10,000 homeless people in the state.⁷

Workers have never paid higher income taxes in an economy that is growing ahead of its peers and yet the level of social services continues to deteriorate. Given this, one would expect that all available resources would be utilised in Budget 2019, but this isn't happening either. In his Summer Economic Statement, the Minister for Finance, Paschal Donohue, notes that the state will make an adjustment of €3.4 billion next year with €2.8 billion of this pre-committed to previous initiatives. ⁸ He also concedes that targeting minimum compliance with extremely strict EU rules would allow him a further €1.7 billion of fiscal space. Of this, the government are only spending €800 million, however.⁹ Even on their own terms, this leaves nearly €900 million that will not be spent in a society wracked by the worst crises in housing and health in the history of the state.

What explains the fact that the economy is growing at the same time as vital services are deteriorating and people are left struggling? The answer to all of these questions is that Ireland is a tax haven economy set up to support the interests of the 1% domestically and internationally. The government continually deny this of course, but it is the considered opinion of every independent report that looks at these issues seriously.¹⁰ Who can forget the 26% growth recorded in 2015, thanks to €300 billion of company assets and €250 billion of intangible assets brought onshore by tax dodging multinationals.¹¹ A year later, corporations declared €158 billion in profits in the

state but paid only €7 billion in taxation, thanks to an array of loopholes and exemptions.¹² The fact that the country is now forced to use a new measure of economic activity known as GNI* shows that the GDP figures are constantly distorted by the effects of tax dodging multinationals.

But this isn't all of the story. The Irish state also makes sure that any real growth that occurs benefits the richest 5% of the population disproportionately. Here the numbers speak for themselves with the top 85,000 households now holding average wealth of €3.2 million each.¹³ The other side of this distribution is poverty and deprivation for more a million people- 300,000 of whom are children.¹⁴ The government claims to be doing everything in its power to alleviate this situation, but poverty and inequality are not the outcomes of natural disasters, they are the predictable results of neoliberal policies pushed by Fine Gael throughout society. This creates pain and dysfunction where there needn't be any and robs people of their creative potential. Any decent budget would eradicate the worst forms of social disadvantage but People Before Profit would go much further. Using only official statistics **Recovery for All** demonstrates how targeted increases on corporations and millionaire households could move the country towards European levels of social spending, thereby allowing the bottom 90% to improve their overall standard of living. This would revitalise our public services, support the most vulnerable in society and help middle income households through tax cuts and better services. To substantiate these claims we now move to measures proposed for increased expenditure.

Policy Highlights

Build Public and Affordable Housing

Fine Gael's Rebuilding Ireland has completely failed. We would create 21,000 extra units next year, ending homelessness and reducing pressure on waiting lists

Develop A National Health Care System

Our Healthcare system is creaking at the seams. People Before Profit would provide €3 billion next year to roll out Free GP care, create an extra 1,000 hospital beds and roll out free primary care facilities across the state. We would also spend an extra €304 million on mental health.

Make Public Transport Free

. Public transport is essential to reducing the country's Co2 emissions. It is also vital for working people, helping to reduce congestion, car-based accidents and fatalities. For this reason, we would follow Estonia in making public transport free.

Reinvigorating Rural Ireland

People Before Profit is committed to Rural Ireland. In government we would spend €500 million on rural broadband, an extra €93 million on rural development and €250 million on a Western Rail Corridor.

Renewable Energy

Ireland has consistently failed to reduce Co2 emissions. In a world threatened by climate change, we would invest an extra €750 million on renewable energy and €250 million on agri-environmental initiatives.

Tax Justice for Workers

The mainstream parties present a false choice between tax cuts and better services. By taxing corporations and millionaire households we can scrap the Universal Social Charge and provide the services outlined above.

Expenditure

Any economic recovery worth the name must improve the lives of workers and the poor. Years of austerity have devastated our social infrastructure with spending slashed in healthcare, housing and education. Officially, the recovery has been building since 2013, but there has been little improvement in basic social service provision. In fact, in many areas things are getting worse. The housing crisis is depressingly familiar, but Ireland also comes near the bottom of OECD league tables for childcare provision, hospital waiting lists and pupil teacher ratios.¹⁵ Irish workers have delivered an economic recovery without the attendant improvements in their quality of life.

People Before Profit wants to support workers and those on the margins by creating social infrastructure we can all be proud of. Instead of languishing at the bottom of league tables we aspire to move towards the top. To achieve this, we propose increased spending in a range of areas outlined below.

1.1 Build Public Housing to Solve the Housing Crisis¹⁶

The housing crisis is causing untold damage to countless people. The government claim success for their corporate housing strategy, but, in reality, *Rebuilding Ireland* has been an abject failure. It promised to radically transform the housing sector, but two years in, the crisis has continued to get worse.

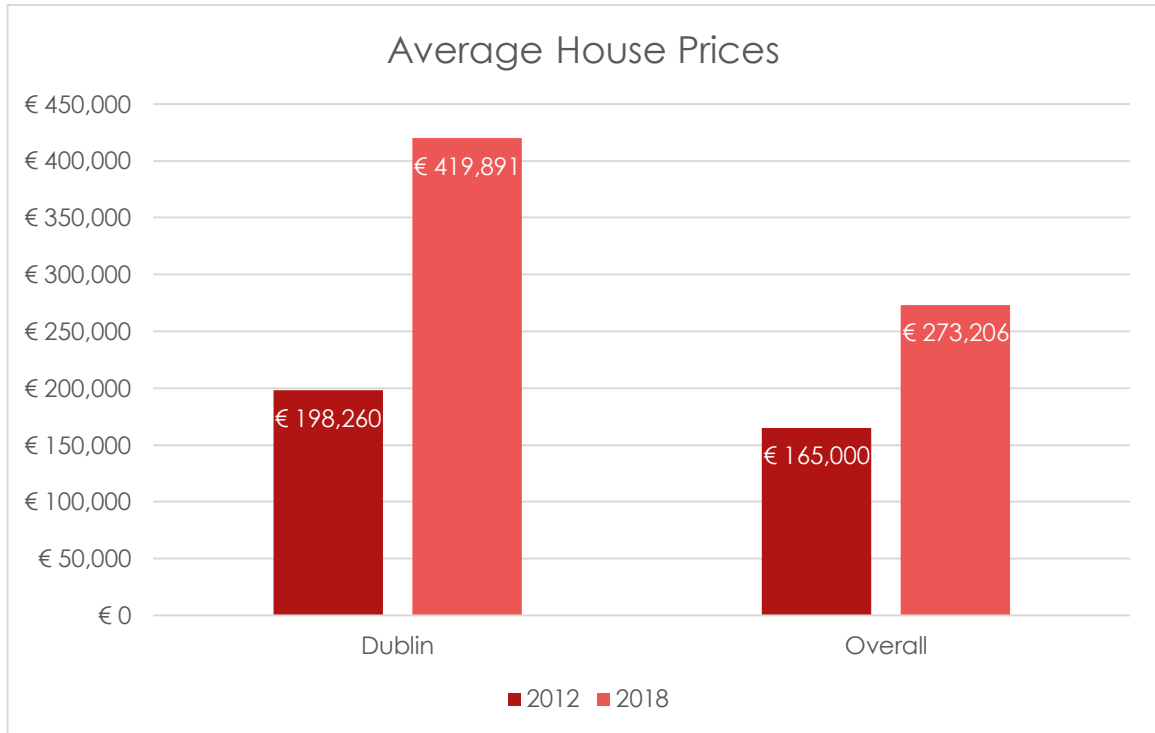
Consider some of the pertinent facts.¹⁷

10,000 people are now homeless –including 4,000 children.

Rent increases exceed their highest level of Q4 2007 by 26%

The average cost of houses in Dublin is now €413,891 – in South Co. Dublin it is €587,000.

By failing to build sufficient public housing, the state has facilitated land hoarding and property speculation. This has ensured that housing supply continually lags behind demand, forcing up rent, house prices and land values. This has enriched the wealthiest sectors of Irish society, leaving many others struggling with housing poverty. Working people are spending more on rent than ever before and many will never be able to afford their own home.



People Before Profit offer a very different strategy. We see housing as an essential human right that must come above the needs of speculators and Vulture Funds. We therefore reject the commodification of land and housing espoused by Fine Gael's *Rebuilding Ireland* in favour of a major expansion of local authority houses and social and affordable homes for working people.

To deliver this, we propose the following capital expenditure for 2019

Proposal	Cost Millions €
Acquire 2,500 Vacant Houses in Dublin at a cost of €306,000 each* ¹⁸	765
Acquire 2,500 Vacant Houses Outside Dublin at a cost of €219,000 each*	547.5
Build 10,000 Homes as part of a 100,000 Public Housing Scheme	1,543.6
This will involve building	
4,000 1 bed units @ €143,750	
2,500 2 bed units @ €149,576	

2,500 3 bed units @ €167,224 1,000 4 bed units @ €176,629	
Increase Part V from the current 10% to a statutory minimum of 20%	78.88
Task the National Assets Management Agency with delivering 5,000 social and affordable private units in 2019.	Cost Neutral
Affordable Student Accommodation ¹⁹	500

In addition we would make the following current spending adjustments

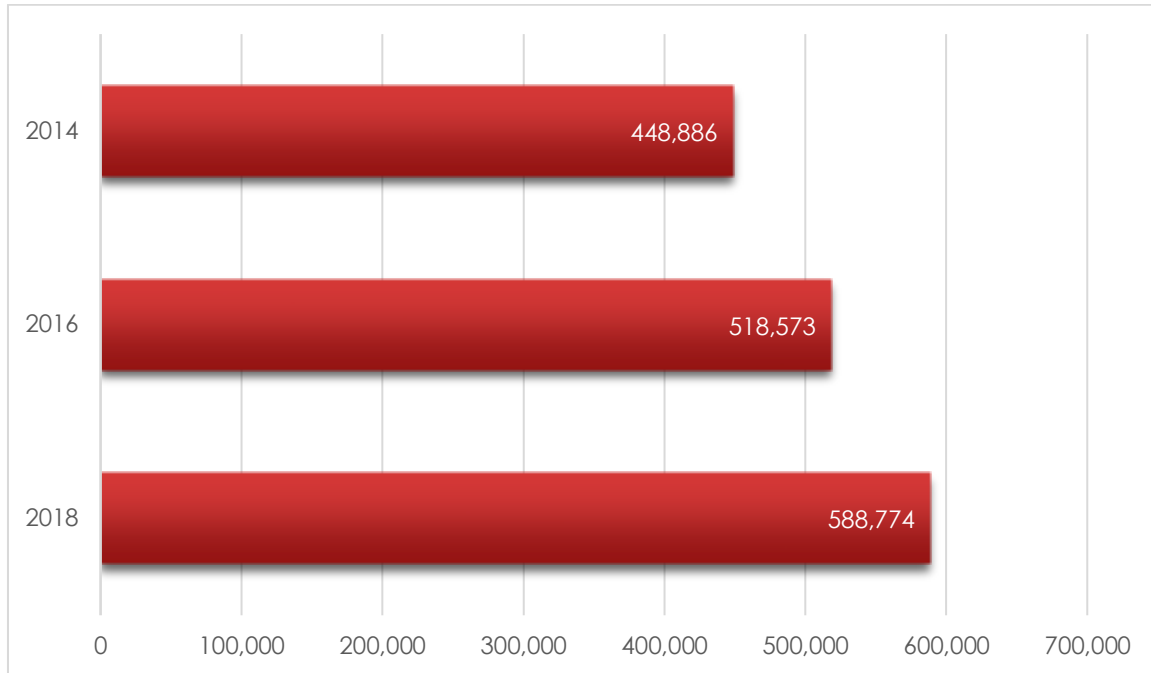
Proposal	Cost Millions €
Increase the funding for women's refuges	100
Increase emergency accommodation	100
Reverse the 90% cut that was applied to Traveller Accommodation provision and enforce local authorities to fully utilise funds	50
Total	250

Collectively our policies would increase the social and affordable housing stock in 2019 by roughly 21,000 units. This would relieve pressure on rent, house prices and land values across the state, helping the majority at the expense of the rich.

1.2 Move towards a National Health Care system²⁰

The Irish healthcare system is creaking at the seams. The influential Euro-Health Consumer Index has consistently ranked Ireland as having among the worst hospital outcomes as measured by 48 indicators including, waiting times, patient information, treatment and results.²¹ The most visible sign of this dysfunction is the waiting lists in Irish hospitals. In June 2018, hospital waiting lists reached an all-time high with 707,000 people waiting for treatment of one kind or another.²²

Combined In-Patient and Out-Patient Numbers from the National Treatment Purchase Fund ²³



Note: These figures exclude certain categories of patients

Morale is also low as healthcare workers cope with low pay and inadequate resources. Tellingly, Ireland ranked 14th in the 2013 ECHI index but has since fallen to 24th despite the extra resources available to the government.²⁴

People Before Profit have a different vision for the Irish healthcare system. We would ramp up investment in services and begin to move towards a One Tier Health Service that allocates resources solely on the basis of medical need. Our goal is a National Health Service that is universal, comprehensive, democratically planned, funded by progressive taxation and free at the point of use. Some of this can be delivered by implementing the Slainte Care Report, but in other areas we need to go further.²⁵ In 2019 we propose the following adjustments.

Proposal	Cost millions €
Create 1,000 new beds in acute hospitals	306
Employ 500 extra consultants to bring Ireland in line with EU norms	83.7*
Employ 4,000 extra nurses	206.15

Abolish all inpatient and emergency department charges for public patients	54
Bring mental health spending in line with Vision for Change	304
Expansion of services for people with disabilities	290
Increase Health and Well Being Budget –including €41 million for child health and well-being service	274
Universal Free GP Care	455
Reduce the Drug Payment Threshold from €134 to €100	260
Clear Home Care Package Waiting Lists and Offer home care as a demand led service	160
Universal Palliative Care	48.9
Reinstate Pre-crisis Dental Treatment Services Scheme and increase by 100%	34
Universal Primary Care	256.5
Hire 100 speech and language therapists, 100 psychologists, 100 occupational therapists, 100 physiotherapists	30
Reduce prescription charges to 50 cent	133
Implementation of Autism Ireland 5 point Vision Plan	20
Clearing Waiting Lists for Gender Reassignment	30
Dementia support	12
Total	2,957.25

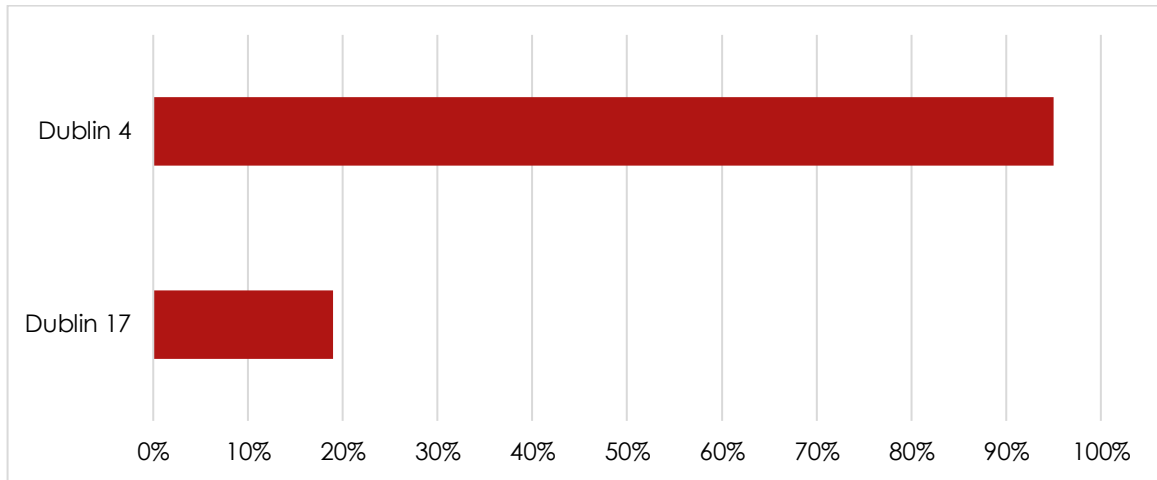
**For the purposes of this calculation we have assumed all consultants would be hired on public only contracts each costing €167,000 per annum.*

1.3 Education for lifelong learning²⁶

Education plays an essential role in children's lifelong development and is also vital for a modern and dynamic economy. Despite this, the Irish state has failed to fund education sufficiently, as evidenced by the fact that poorer families still face major disadvantage in the education system. Children from

lower socio-economic backgrounds attain worse exam results and leave school earlier than their wealthier counterparts. Consider the table below as one indicator of this pattern.

Numbers Going to University ²⁷



The system is also failing to provide enough apprenticeships, while at third level our universities are slipping down the various league tables.

Our vision for education relies on separating church and state in favour of a secular, state run educational system. Education needs to be free for all and educational supports need to be allocated on the basis of need rather than budgetary constraints. Our schools are over-crowded and expensive to access. Now is the time to build a modern educational system that equips its users with the confidence and capacities to build successful lives for themselves and their families.

Proposal	Cost millions €
Reduce Pupil Teacher Ratio from 1:27 to 1:22	327.5
Increase funding for Special Education Provision in 2016 by 15%	252.5
Provide free school books for Primary and Post Primary students	40
Abolish Voluntary Contributions and other school costs.	112
Reverse Cuts to provision of Guidance Councillors	6

Abolish fees for third level students – both capitation and tuition	203
Abolish apprenticeship fees	4.2
Improve adult literacy (23,600 people)	76
Reverse cuts to back to education allowance	8.5*
Abolish fees for all EU postgraduate students	70
Restore Capitation Grant to pre-2008 levels	35*
Increase student grants to their highest historical levels	100
Total	1234.7

**Estimate based on Department of Education figures for 2018 figures*

1.4 Invest in Public Transport²⁸

Public transport is a vital public service. It helps to link communities together, reducing congestion and helping to control our carbon emissions. For each of these reasons public transport must be properly funded and supported.

In Dublin we oppose the corporate agenda of BusConnects. This service will make it more difficult for older people, those with prams and those with mobility issues to access public transport. Instead we favour upgrading the existing network through bus corridors, cycle lanes and more frequent services.

In light of the multiple benefits flowing from a well-resourced public transport system we propose making public transport free. To cope with the extra pressure on the system we also propose increasing the subvention to the various public transport companies very considerably.

Proposal	Cost Millions €
Make public transport free	580
Bring public transport Subvention to 2008 level then increase by 33%	126.4
Total	706.4

1.5 Develop a Public Childcare System

The Irish Childcare System is badly underfunded and extremely expensive. According to the OECD's Education at a Glance Report 2017, Irish expenditure on early year's education amounts to only 0.1% of GDP (or 0.5% when over three year olds are included), significantly below the OECD average of 0.8%.²⁹ The highest levels of expenditure were recorded in the Nordic Countries which invest between 1.3% and 1.9% of GDP in early year's education annually.

This inevitably puts pressure on parents who often turn to private operators to meet their childcare needs. According to Eurostat, however, 37.7% of parents identified financial concerns as a major impediment to accessing childcare facilities compared with just 0.7% in Sweden and Denmark. Meanwhile, a survey of 3,000 childcare workers found the average hourly wage is a little over €10 an hour.³⁰ The net result is an expensive system that puts pressure on families and childcare professionals alike.

Our alternative is to move towards Scandinavian levels of funding via a state run model of childcare. To do this, we would spend an extra billion split between newly hired state childcare workers and increased capacity in a national childcare system.

Proposal	Cost Millions €
Net cost of employing 25,000 childcare workers	450m
Total	450m

1.6 End Pay Apartheid in the Public Sector³¹

The economy is supposedly recovering, but workers are still being told that they have to wait. Fine Gael claim they are ready to restore pay to the 60,000 post 2011 entrants, but they only put up €27 million of €200 million that is needed. Beyond this, they made no mention of FEMPI which is costing public sector workers billions every year.

People Before Profit believe workers should share in the economic recovery they have delivered. In the public sector we would end the scourge of pay apartheid that has undermined the pay and conditions of new entrants. This would help to retain and recruit workers to staff the health, education and vital social services that we desperately need. We would also repeal the Fempil legislation immediately.

Proposal	Cost millions €
End Pay Apartheid	173
Repeal FEMPI Legislation	1,240
Restore tax relief for Trade Union subs	27
Total	1,440

1.7 Social Protection³²

Since 2008, austerity budgets have damaged the living standards of the poorest and most vulnerable. The latest Central Statistics Office Survey on Income and Living Conditions (SILC) confirms that 790,000 people are currently living in poverty, of whom 250,000 are children.³³ The report also reveals that 1 million people are living with consistent deprivation including 105,000 working poor.

Without the current support of the Social Welfare System the numbers in poverty would jump from 16.5% to 44.9% of the population. This shows both the obscene inequality that characterises Irish society and the central importance of the welfare system as a safety net for those unable to access services through the private sector.

To build a modern welfare system that supports those most in need People Before Profit would do the following in 2019.³⁴

Proposal	Cost millions €
Increase all social welfare payments by €10	695.6
Increase Fuel Allowance by 2 weeks	17.2
Restore all social welfare payments to the rates paid in 2009	311
Full restoration of Christmas Bonus plus 10%	282
Increase Child Benefit in respect of children over 12 by €30	135*
Expansion of Homemakers Scheme	290*

Increase the FIS multiplier for calculation of payment 60% - 75%	100
Extend Child Benefit to 18 year olds in second level education	62
Increase the age of the youngest child to 18 for receipt of OPFP	26.5*
Increase Back to School Clothing & Footwear Allowance by €100	27.5
Increase Maternity Benefits to 12 months	250
Abolish the discriminatory JSA rates for under 26 year olds	59.7
Introduce a universal state pension of €250 and reduce pension age to 65.	349.5
Total	2,606

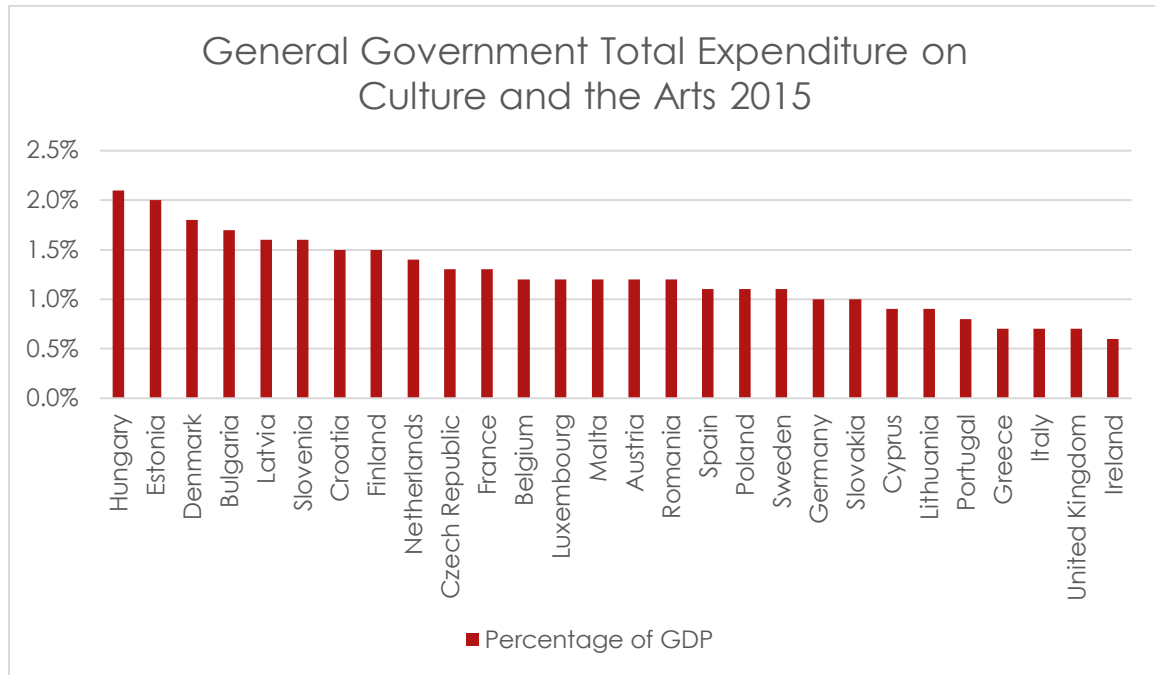
1.8 Local Government³⁵

The funding of local authorities has been cut significantly since 2009. This has resulted in a huge deterioration in local services – road sweeping, housing maintenance, park maintenance, road and path repairs, libraries, playgrounds and other basic services and resources for communities. The Local Property Tax replaced a portion of the Local Government Fund in 2016, meaning there was no substantial increase in services to match the extra tax on households. The government have earmarked €364 million for local government for 2019. Our proposal would be to increase this by 25% to account for austerity related reductions and to devote the equivalent of the local property tax to local government from general taxation. Next year this is forecast at €470 million.

Proposal	Cost millions €
Increase funding by 25% and add equivalent of the local property tax	561
Total	561

1.9 Arts

Ireland's artistic and cultural heritage is one of our greatest assets. Despite this, however, funding remains pitifully low. Figures compiled by the National Campaign for the Arts, indicate that across Europe, the average spend on culture and the arts is 0.6% of GDP.³⁶ In Ireland, it is less than 0.2% or €214.4 million this year.³⁷ Eurostat give related figures that show Ireland at the very bottom of the European league tables for spending on culture and recreation.³⁸



**Source of figures- Eurostat. Figures also include government spend on recreation and religion.*

To begin to make up this deficit, People Before Profit propose to increase the arts budget by 100% in 2019 to reach €428 million.

Proposal	Cost millions €
Increase total arts budget by	214
Total	214

1.10 International Aid

To meet our international debt obligation People Before Profit proposes to increase overseas development aid to 0.9% of GNI* in 2019. This year the Irish state spent €738 million on overseas aid.³⁹ To increase this to 0.9% of GNI* would cost €892 million.⁴⁰

Proposal	Cost Millions
Increase development aid budget to 0.9% of GNP	892
Total	892

1.11 Expenditure Totals

Proposal	Cost Millions €
Housing	250
Healthcare	2,957.25
Education	1,234.7
Transport	706.4
Childcare	450
Public Sector Pay	1,440
Social Protection	2,606
Local Government	561
Arts	214
International Aid	892
Extra Current Expenditure Total	11,311.35

Revenue

According to the International Monetary Fund, Ireland creates €62,000 per person annually, ranking it fifth from over 200 countries in terms of GDP per capita.⁴¹ Despite this, there are more than a million people living in consistent deprivation out of a population of less than 5 million.⁴² For a hundred years, conservative governments have placed the needs of property owners above those of the wider society, with the result that many still suffer poverty and deprivation in an era of plenty.

As a grassroots movement, People Before Profit believes the common good is served when injustices are removed and individuals get equal chances to flourish. We therefore aim to end the scourge of social disadvantage starting with progressive taxation to provide resources for all those living here.

This necessitates taking a more radical view of budgetary decisions than is currently in evidence. Mainstream debates consistently offer a false choice between tax cuts and better services when in fact most of the population can have both. Our aim is to demonstrate how targeted increases on the wealthiest 5-7% can be used to achieve these twin objectives.

Taxing the Corporate Sector

2.1 Double the Corporation Tax Take ⁴³

Ireland is a tax haven. This is the view of all independent research into this question, including influential studies by Gabriel Zuckman et al in 2018 and the Institute of Taxation and Public Policy in 2017.⁴⁴ Allowing corporations to dodge their taxes is damaging on a number of levels. In the first instance, it robs working people of much needed resources in Ireland and the developing world. Beyond this, it puts the Irish economy at the whim of unelected foreign executives, threatening democracy and increasing the likelihood of economic instability.

In the face of this damage our aim is a relatively modest one – to double the rate that corporations currently pay in 2019.

In Ireland, the official rate is a mere 12.5%, representing less than many of the cleaning staff that work in multinational buildings are paying. The effective rate is far low than this. Consider the table below.

Table 1 -Revenue Commission – Corporation Tax Revenue

Recovery For All. Pre-Budget Submission 2019

Year	Total Profits Declared Before Deductions (Millions) €	Taxable Income After Deductions (Millions) €	Total Corporation Taxes Paid (Millions) €	Effective Rate Of Corporation Tax
2016	158,788	71,475	7,159	4.5%
2015	143,926	65,076	6,248	4.3%
2014	95,374	50,703	4,930	5.1%
2013	80,672	40,462	4,078	5%
2012	74,775	43,242	4,374	5.8%

Unlike PAYE workers, corporations avail of a vast array of deductions before they pay tax on their profits. More than 50% of companies pay no profit tax at all, thanks to discounts for costs and investment, losses from previous years and/or losses sustained by other companies in their group.

To make corporations pay just 9% would bring in an extra €7.1 billion showing just how much the corporate sector declares in the state. We would therefore double the tax take in 2019.

Proposal	Revenue Millions €
Double the Corporation Tax Take	7,159
Total	7,159

2.2 Increase Employer PRSI Contributions.⁴⁵

Irish employers pay among the lowest social contributions in Europe. Figures from the Irish Congress of Trade Unions in 2016 revealed that Irish employers pay less than 50% the rate paid across the EU.

Breakdown of Labour Taxation Paid by Employers and Employees in % terms of GDP.⁴⁶

Years	2010	2011	2012	2013	2014
Irish Employers	3.2	3.3	3.0	3.1	3.3
EU Average	7.7	7.7	7.7	7.7	7.7
Irish Employees	8.8	9.2	9.6	9.6	9.7
EU Average	9.5	9.5	9.8	9.9	9.8

Note – In 2014 Irish Employers Paid 3.3% of GDP, their counterparts 7.7% of GDP etc..

Irish workers’ pay roughly the same as their EU counterparts but this is not true of their employers. To move towards the EU average, People Before Profit would increase the 10.85% rate of PRSI by 2%. Mindful of the impact of extra cost at the lower end of the employment market we would maintain the 8.6% rate and monitor for any negative impacts.

Proposal	Revenue Millions €
Increase the 10.85% rate of Employers PRSI by 2%	1,423

Anti-Tax Haven Initiatives

2.3 Tax on Financial Transactions.⁴⁷

The Irish Financial Services Centre (IFSC) plays host to the fourth biggest shadow banking system in the world. This makes Ireland an extreme outlier in terms of financial activity and presents the possibility of taxing transactions to reduce the damage caused by financial speculation.

Accurate information for this measure was extremely hard to ascertain, with numerous departmental questions failing to elicit the relevant information. This is in line with our assertion that Ireland is a tax haven for financial interests.

In the absence of this information, our proposal is to tax trade in shares and securities at 0.1% and trade in derivatives at 0.01%.

According to the Department of Finance transactions in equities totalled €98 billion in 2017 up 9.9% on the previous year.⁴⁸ A recent report by the Irish Central Bank estimates that derivative trades are roughly €3.3 billion daily.⁴⁹ Applying the relevant charges would yield €219.6 million.

Proposal	Millions €
Tax 0.1% on Shares and Securities and 0.01% on Derivatives	219.6

Note – this would be charged in addition to stamp duty.

2.4 Taxing Onshoring of Intellectual Property

In 2015, Ireland recorded a 26% increase in Gross Domestic Product. This brought scorn from the economics community, with Nobel Laureate, Paul Krugman, describing the phenomenon as 'Leprechaun Economics'.⁵⁰ Driving this increase was a government initiative that allowed transnational corporations to offset the entire capital expenditure on intangible assets against the income arising from the use of these assets. Up to that point the state had only allowed 80% tax relief. In response, many companies moved their entire balance sheet of IP assets into Ireland increasing the capital stock by some €250 billion in Q1 of 2015.⁵¹ This subsequently led to a massive tax break for transnational corporations with a €26 billion increase in intangible-asset related gross trading profits in 2015, offset by a similar increase in the amount of capital allowances for intangible assets.

Capital Allowance for Intangibles	Billions €
2014	2,653
2015	28,872

In his Review of Ireland's Corporation Tax Code, the UCC Economist Seamus Coffey recommended reducing this allowance to the 80% level as a way of stopping any artificial increase in Irish GDP –and with it, the amount paid by the state to the European Union.⁵² Crucially, however, Coffey doesn't make this retrospective meaning that massive amounts of tax avoidance was facilitated by the Irish State.

Given the fact that €26 billion was written off in 2016, People Before Profit advocate a retrospective tax of 12.5% on the 20% that should have been taxable.⁵³

Proposal	Revenue (millions €)
Retrospective 12.5% tax on 20% of €28,872 billion profits from Intellectual Property	721.8

Taxing Section 110 Company Profits

Over the last number of years International Vulture Funds have used a range of special purpose vehicles to reduce their taxes in the Irish property sector. The most important of these are Section 110 companies and those using Qualifying Investor Alternative Investment Funds (QIAIF's).

These are frequently associated with hiding debt, obscuring ownership and avoiding taxes. Detailed analysis of the company filings of 15 subsidiaries of global funds by the UCD School of Social Policy found that they each paid just €250 per year in tax despite having loans worth €10.3 billion. In total, these companies paid just €8,000 in tax with a loss to the exchequer estimated to be around €500 million in just two years.

A related study by the Sunday Business Post came up with similar findings, as 24 Irish subsidiaries of international investment funds paid less than €20,000 in tax over two years despite controlling €20 billion worth of assets.

To get to grips with tax avoidance in this area People Before Profit submitted a number of Parliamentary Questions. We also spoke to experts in the area including Cillian Doyle – co-author of The Measurement and Regulation of Shadow Banking in Ireland. Despite this, we were unable to come up with accurate figures for tax avoidance by the Vulture Sector and we therefore highlight this area without including it in our budgetary calculations.

Other Sectoral Initiatives

2.5 Levy on the Banking Sector.⁵⁴

The Irish banks were at the very centre of the property crash. Reckless lending helped to push house prices to unsustainable levels – helping to make record profits for the Irish banks and forcing higher mortgage costs on to working people. The crash subsequently cost €64 billion paid for out of general taxation. As if this wasn't bad enough, hundreds of thousands of people lost their jobs, many of whom subsequently fell behind on their mortgage repayments.

The idea that banks who caused so much social damage can now claim historical losses to avoid their taxes is not acceptable. Workers can't reduce their current tax bill by citing unemployment over the crisis years so why should banks be allowed to claim money for shareholders from a crisis that they created.

To make sure that this doesn't happen People Before Profit would scrap banks entitlement to reduce their tax obligation through historic losses. This is a measure that would be repeated annually until all historic losses were accounted for.

Proposal	Revenue Millions €
Disallow historic losses as tax deductions for banks and insurance companies	925

2.6 Pharmaceutical and Private Health Levy.⁵⁵

Ireland's pharmaceutical industry is forecasted to make profits of €11.5 billion in 2019, thanks in no small part to the waiting times in Irish hospitals. Figures presented on the RTE documentary 'Medication Nation' reveal that Irish people take €500 worth of prescription drugs annually – representing 40% more than the European Average.⁵⁶ One reason for this is the massive waiting lists in the country's hospitals which have coincided with a rise in the use of powerful pain medication of 1,000% over the last decade.⁵⁷ The pharmaceutical industry have a strong profit motive in keeping people on medication, but this is both expensive and often comes with damaging side effects. People Before Profit believes in a different model of health and wellbeing. Our goal is to reduce dependency on medication through tackling waiting lists, investing in primary health care centres and promoting healthier lifestyles.

To help pay for this PBP would place a special levy of 4% on the profits of the pharmaceutical industry in 2019.

Proposal	Revenue Millions €
Introduce a 4% levy on the profits of Pharmaceutical Companies and Private Health Companies	460

2.7 Remove the Reduced VAT Rate for Hospitality and Tourism Sector.⁵⁸

The Reduced VAT Rate has functioned as an unjustifiable subsidy for a highly profitable and low wage hospitality and tourism sector, particularly in Dublin. Figures from the Department of Finance have revealed that the country’s hotels are now making record profits with room rates surpassing those at the height of the Celtic Tiger.⁵⁹ This subsidy is set to cost €490 million in 2019 and €2.6 billion on a cumulative basis.

Our aim is to target the highly profitable parts of the sector without damaging smaller operators in less profitable parts of the country. For this reason we would scrap the special VAT rate for the Hospitality and Tourism Sector and use €250 million for rural regeneration including a scheme to help the hospitality sector where it is needed.

Proposal	Revenue Millions €
Remove the Reduced Rate of VAT in the Hospitality/ Tourism Sector	490

Tax Justice for Workers

The rich refuse to pay their fair share of tax in this country. This is the considered view of the Comptroller and Auditor General who recently noted that of 334 High Net Worth individuals in the state – each worth at least €50 million – 89 paid less than an average PAYE worker and a further 40 paid less than €120,000.⁶⁰ Once again this points to the tax advantages of wealthy people and demands state led initiatives to even up the tax burden for hard pressed PAYE workers and the lower paid more generally. The following measures aim to achieve this.

2.8 Scrap the Universal Social Charge – Introduce a High Income Social Charge ⁶¹

The Department of Finance estimate that the Universal Social Charge will bring in €3,879 million for 2019. Our proposal is to scrap this charge and simultaneously introduce a high income social charge to ensure that people pay the HISC on the balance of their income over €90,000. This would bring in €1,875 million from the top 7.3% of income earners.⁶² Accordingly the overall adjustment here would cost €2004.

Proposal	Revenue Millions €
Scrap the Universal Social Charge (-3892)	-2004
Introduce High Income Social Charge (+1875)	
Cost	-2004.

2.9 Introduce New Tax Bands for Top 5% of Earners.⁶³

People Before Profit would use Budget 2019 to check the growing income inequality in Irish society. Out of a total of 2.7 million tax units, more than 1.5 million earn less than €35,000.⁶⁴ On the other hand, there are roughly 150,000 earning over €100,000 making up just 5.6% of the total.

Earning a wage of over €100,000 is a privilege that must come with attendant responsibilities to the rest of society.

Accordingly, we would introduce the following tax bands to collect more from those in the top 5% of income earners.

Earnings €	Tax Rate
100,000- 140,0000	50%
140,000-180,000	55%
180,000-250,000	60%
250,000 plus	65%

Proposal	Revenue Millions €
Introduce Four New Tax Bands for High Earners	2,100

Housing Based Measures

2.10 Abolish the Local Property Tax – Introduce Additional Home Tax ⁶⁵

The Local Property Tax is a tax on the family home. There are numerous ways to tax richer households without taxing the homes of working people. People Before Profit would therefore scrap the Local Property Tax and introduce a tax on additional homes graduated to increase as the number of properties increases.

Proposal	Revenue Millions €
Abolish the Local Property Tax (-470)	-231
Introduce Additional Properties Tax (+239)	

2.11 Idle Site Value Tax and Vacant Property Taxes

Land hoarding is now a major problem with Real Estate Investment Trusts, property developers and International Vulture Funds sitting on their assets. The Society of Chartered Surveyors in Ireland estimate increased prices in the residential land market of 10% next year – giving a strong incentive to sit on land and allow it to appreciate.⁶⁶

People Before Profit would use Budget 2019 to strongly discourage such land hoarding activity. Specifically, we would set a tax of €5,000 per hectare (or part therefore) per annum on idle land.

In addition, we would impose a tax of €6,000 annually on properties left idle without a valid reason.

Census figures from 2016 revealed roughly 183,000 empty housing units in the state – 65,000 of which had been empty for five years.⁶⁷ Social Justice Ireland estimated collecting €75 million from adjustments equalling 40% of these measures in 2017. Accordingly we would expect to raise €187.5 million from these initiatives.

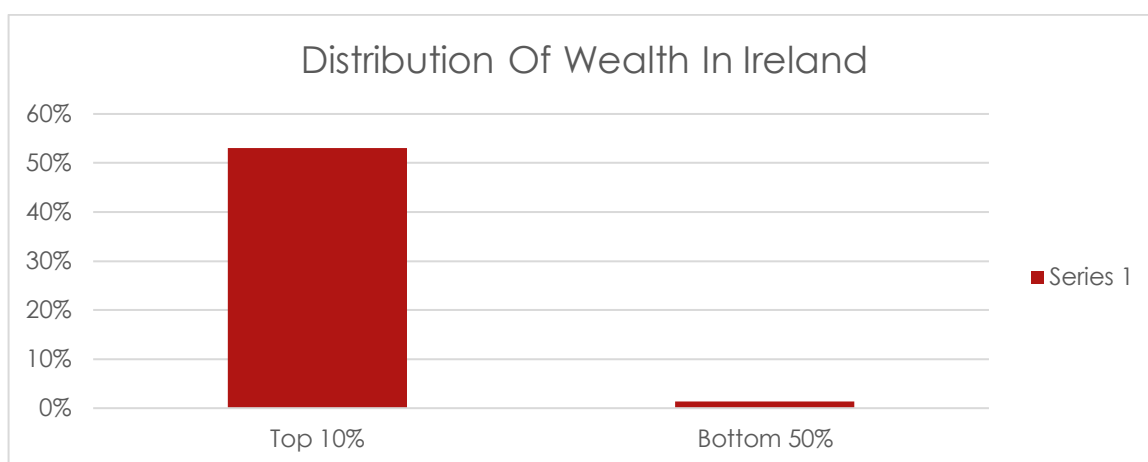
Proposal	Millions €
Tax of €5,000 per hectare of idle land per annum	187.5
Tax of €6,000 on idle property per annum	

Other Tax Measures

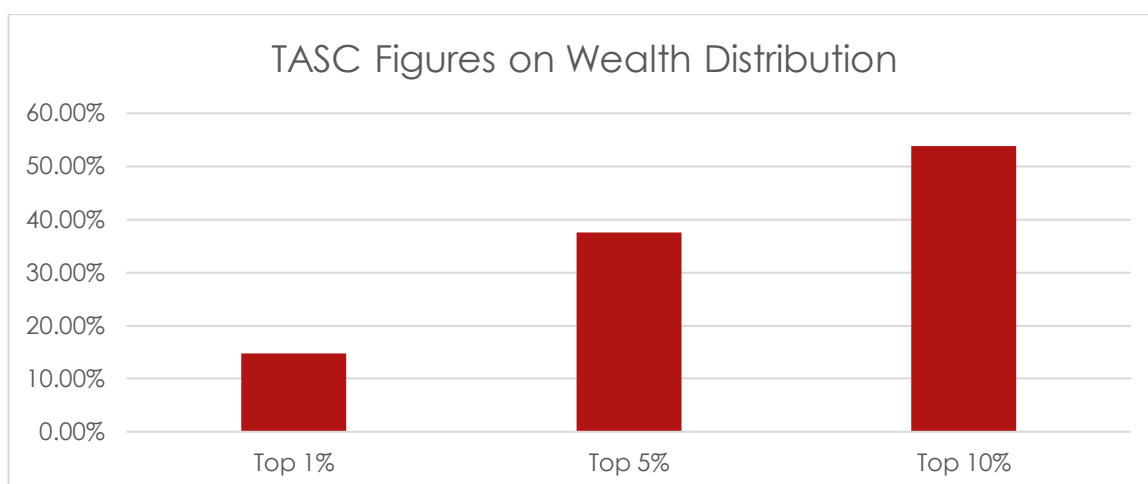
2.12 Tax the Wealth of the Richest 5% ⁶⁸

According to the Department of Finance, the net worth of Irish households now stands at a record high of €727 billion. An equal share of these accumulated assets would mean an average family of four would have €620,000, but of course, the actual distribution is highly unequal.

Last year the Department of Finance estimated that the top 10% of the population have 53% of the wealth, whilst the bottom 50% have 1.4%.



Analysis by the Think Tank for Action on Social Change (TASC) gives similar figures for the top 10% (53.8% of wealth), but goes on to analyse the wealth of the top 5% (37.5%) and those in the top 1% (14.8%).



This means that the 85,000 households making up the top 5% have roughly €3.2 million on average each.⁶⁹ To allow for a family home we would strip out €1 million per household and tax the remaining wealth of this group at 2% per annum. This is defensible both on the basis of the social needs of the rest of the

population and on the basis that much of this wealth is invested and generating a return.

Proposal	Revenue Millions €
Tax the Top 5% of households 2% of their accumulated wealth less 1 million for a family home	3,752

2.13 Cut Pension Relief for High Earners 70

One measure of the inequality in Irish society is the fact that less than a third of all private sector workers currently save for their pension. This amounts to over 900,000 workers who are not earning enough to save for their future.⁷¹ On the other side, a small group of wealthy people can currently claim tax relief up to €115,000 on money put away for their retirement. The current system benefits wealthier households for two interrelated reasons (1) They can claim relief at 40% rather than the 20% rate for many PAYE workers (2) they have the extra resources to put away with 73% of all accumulated wealth held by the top 20%.

The government now plan to introduce an auto-enrolment scheme to force workers already struggling with high costs to contribute 6% of their wages to a pension scheme.⁷² Our alternative is to keep the employer contribution and the state contribution to workers' pension in two years' time and to introduce a universal state pension adequate for people retiring at 65 in 2019.

To help pay for this we would reduce the pension earning limit from €115,000 to €60,000 this year.

Proposal	Revenue Millions €
Reduce Pensions Earning Limit from €115,000 to €60,000	134

2.14 Increase Capital Gains Tax from 33%-40% ⁷³

Vulture Funds and Real Estate Investment Trusts have made a killing in the Irish property sector. Entering when prices were at rock bottom, they are now in a position to make major profits off the misery of working people. To claw some of this money back People Before Profit advocate increasing the rate of Capital Gains Tax to 40% to bring it in line with the highest rate paid by PAYE workers.

Proposal	Revenue Millions €
Increase Capital Gains Tax from 33-40%	202

2.15 End the Help to Buy Scheme ⁷⁴

The Help to Buy Scheme has not brought extra supply of social and affordable housing on to the market. Instead, it has merely contributed to rising prices by turning a scheme to help struggling buyers into a scheme that supports land owners and developers. People Before Profit would therefore scrap the scheme in 2019.

Proposal	Revenue Millions €
Scrap the Help to Buy Scheme	37

Audit To Repudiate Debt

The Irish state contracted €160 billion worth of debt during the crisis, due to the twin effects of a banking collapse and a collapse in employment. This pushed the country's debt to GDP ratio towards 125% and acted as one of the primary catalysts for the years of austerity.

Today, the national debt stands at €187.5 billion according to the Department of Finance.¹ This represents more than the country's Gross National Income* and necessitates paying out €5.5 billion in 2019 on interest repayments. This will turn a primary budgetary surplus of €4 billion into a deficit as the state pays back many of the same bondholders who helped to crash the economy in the first place.

A Statement from the Department of Finance confirms that the vast bulk of the interest paid in the first half of 2018 relates to debt contracted since 2008. Beyond the obvious costs of paying interests to bankers and bondholders this process is shrouded in secrecy. If People Before Profit were in government we would immediately undertake a debt audit, followed by a repudiation of all debts directly associated with the banking collapse

2.16. Revenue Totals

Proposal	Revenue Millions €
Double the Corporation Tax Take	7,159
Increase Employer PRSI by 2%	1,423
Financial Transactions Tax	219.6
Taxing Onshoring IP	721.8
Levy on the Banking Sector	925
Levy on the Pharmaceutical Industry	460
Remove Reduced VAT Rate for Hospitality and Tourism Sector	490
Replace USC with High Income Charge	-2004
New Tax Bands for those Earning above €100,000	2,100
Abolish Local Property Tax	-231
Idle Land and Vacant Property Tax	187.5
Wealth Tax on Millionaire Households	3,752
Cut Pension Relief for High Earners	134
Increase Capital Gains Tax to 40%	202
Remove the Help to Buy Scheme	37
Total	15,575.9

Capital Expenditure

A new National Planning Framework – Ireland 2040, was announced earlier in the year. At the launch, the Taoiseach, Leo Varadkar, announced investment of €115 billion to be rolled out over the next two decades. His message was that the state needed more farsighted planning without which “we will just continue on the same trajectory that we are on now and in that scenario, everyone is a loser”.⁷⁵ As usual, the government's plan amounts to a developer's charter with increased emphasis on public private partnerships and public money handed over to the private sector. Yet the fact remains that in the context of Brexit and a more unstable international environment, the political elite now recognise the need for planning that goes beyond sweeteners from the Irish Development Agency to transnational corporations.

This is a strong vindication of People Before Profit policy which has consistently argued for a more interventionist state - albeit one that takes genuine responsibility for world class public infrastructure and more balanced regional development.

Housing is the major crisis of our time, but Brexit may also put pressure on our agriculture sector and the border areas. For these reasons, we would focus capital spending on housing, rural broadband, rural transport and the renewable energy sector in 2019.

This would help to protect existing jobs through better infrastructure and create thousands of rural jobs in renewable energy.

Part of the funds will come from the €4.26 bn. surplus projected in our current account. The rest would come from the €2.1bn.cash reserves held by the National Assets Management Agency and the Irish Strategic Investment Fund.⁷⁶

3.1 Public and Affordable Housing⁷⁷

Our plan for housing would create 21,000 more public and affordable homes than Rebuilding Ireland. To achieve this, we would do the following

Proposal	Cost Millions €
Acquire 2,500 Vacant Houses in Dublin at a cost of €306,000 each*	765
Acquire 2,500 Vacant Houses Outside Dublin at a cost of €219,000 each*	547.5
Build 10,000 Homes as part of a 100,000 Public Housing Scheme This will involve building 4,000 1 bed units @ €143,750 2,500 2 bed units @ €149,576 2,500 3 bed units @ €167,224 1,000 4 bed units @ €176,629	1,543.6
Increase Part V from the current 10% to a statutory minimum of 20% This would deliver approximately 500 extra units.	78.88
Task the National Assets Management Agency with delivering 5,000 social and affordable private units in 2019.	Cost Neutral
Affordable Student Accommodation ⁷⁸	500
Total	3,434.98

*Our Estimates for these prices come from an average of current prices and those in 2013.

3.2 Public Childcare

Ireland's private childcare system is poorly funded and expensive to access. Childcare workers are often badly paid too, meaning the system is failing on several levels. People Before Profit would therefore invest €550 million

on a public childcare system to make lifelong learning more accessible to parents who want to use this facility.

Proposal	Cost Millions €
Public Childcare Facilities	550

3.3 Renewable Energy and Water Infrastructure⁷⁹

Ireland has the potential to be a world leader in renewable energy worldwide. The government claims to be committed to this project, but according to the Independent Climate Change Advisory Council, the country is dangerously behind on its commitments to reduce carbon emissions.⁸⁰ In 2009, Ireland accepted a target of 80% of its 2005 greenhouse gas emissions by 2020. Despite this, the country is expected to reach just a 1% reduction risking fines of up to €600 million every year.⁸¹ This is completely unacceptable.

To meet our global commitment to a carbon neutral economy by 2050 we need radical action on Co2 emissions now.

Research by the ESRI has outlined that a bold investment in wind energy capacity of 4000 megawatts would create between 17,000 and 36,000 jobs.⁸² This shows the real potential for a radical government willing to invest in a sustainable future. In 2019 we would do the following.

Proposal	Cost millions €
5,000 renewable energy jobs as part of a five-year investment plan	250
Reforestation Programme to move away from overreliance on Spruce.	100
Investment in Water Infrastructure	400
Total	750

3.4 Transport and Broadband

Brexit may put pressure on rural businesses that have been promised proper broadband facilities since the turn of the century. Instead of false promises we would invest €500 million in 2019. Beyond this, it is extremely important to develop proper infrastructure. A Western Rail Corridor from Letterkenny to Cork

has the potential to link business in the west of Ireland to Shannon Airport and various ports. This would help to bring much needed employment to the region and help to reduce car dependence in rural Ireland. Finally, we advocate a major expansion of cycle infrastructure and support the Irish Cycling Network's call for €165 million be allocated to cycle infrastructure next year.⁸³

Proposal	Cost Millions €
Invest in Rural Broadband	505
Increase capital expenditure including a major Western Rail Corridor from Letterkenny to Cork City.	264 ⁸⁴
Invest 10% of Gross Voted Capital Expenditure on cycling infrastructure	165
Total	934

3.5 Capital Expenditure Totals

Investment	Millions €	Revenue	Millions €
Housing	3,435	Current Surplus	4,264
Childcare Facilities	550	NAMA Cash	1,254
Renewable Energy	750	ISIF Cash	865
Transport and Broadband	934		
Total	5,669	Total	6,383
Overall Surplus	714		

Conclusion

Budget 2019 will once again be business as usual as the government makes minor adjustments to an economy riven by inequality and social injustice. Under the banner of 'prudent economic management' they will yet again condemn hundreds of thousands of people to needless suffering, all-the-while stoking up prejudice and division. Fine Gael and Fianna Fail have had a hundred years to build a cohesive society, but instead they have enriched the few, hammed the many and blamed the poorest and most vulnerable. Labour and Sinn Fein rail against these policies in opposition but implement them every time they are in government.

People Before Profit have a different set of political objectives. Our goal is not to manage a system set up for the rich, but to radically transform the island - North and South - through people power on the streets and in our workplaces. This will take much more than an alternative budget, and yet, even the relatively minor adjustments outlined in this document could transform housing, healthcare, transport and education at the same time as putting more money into the pockets of workers and their families.

If delivered, this would immediately reduce the anxiety associated with inequality and give working families the space to build a life without the constant pressure of making ends meet.

This should not be too much to ask, but such is the nature of tax haven Ireland that it will be never granted without a struggle.

People Before Profit are very proud of our role in the three big struggles by working people in the last few years. Right2Water, Yes Equality and TogetherForYes have moved Ireland in a progressive direction, improving the lives of women, the LGBTQ community and the wider working class. We claim no such significance for this budget document, but the job of work it undertakes is nonetheless important.

Our rulers deliberately mystify the budgetary process in order to stifle democratic debate. **Recovery for All** breaks through the needless complexity of mainstream debates by highlighting the vast wealth held by corporations and the richest 5%. Unlike the political establishment we reject the false choice logic of tax cuts or better services for working people. Instead, we are committed to tax cuts and better services through targeted interventions on millionaires.

Recovery for All proves beyond all doubt that the wealth is available - whether it ever gets used for the good of society will be down to the confidence, organisation and combativity of working people.

Endnotes

- ¹Irish Economy Growing Three Times Faster than Any Other European Economy @ <https://www.irishtimes.com/business/economy/irish-economy-growing-three-times-faster-than-any-other-european-country-1.3383307>; Economic Growth Revised Upwards in 2018 and 2019 @ <https://www.esri.ie/news/economic-growth-revised-upward-in-2018-and-2019/>
- ² The information for this adjustment comes from a response to the Parliamentary Question 35033/18; 35028/18.
- ³ Hospital Waiting Times Among the Worst in Europe @ <https://www.irishtimes.com/news/health/waiting-times-for-healthcare-in-ireland-among-worst-in-europe-1.3372624>.
- ⁴ There are now more people on waiting lists than ever before @ <http://www.thejournal.ie/hospital-waiting-lists-4-4070569-Jun2018/>.
- ⁵Childcare Costs – the UK and Ireland the Worst on Price @ <https://www.theguardian.com/money/2015/mar/28/childcare-costs-uk-ireland-worst-on-price>.
- ⁶ Ireland's Environmental Record Among the Worst in Europe – New Report Shows @ <https://www.irishtimes.com/news/environment/ireland-s-environmental-record-among-worst-in-europe-new-report-shows-1.3583368>.
- ⁷ Almost 10,000 now homeless new figures show @ <https://www.irishtimes.com/news/social-affairs/almost-10-000-people-now-homeless-new-figures-show-1.3443383>.
- ⁸ Summer Economic Statement @ <https://www.oireachtas.ie/en/debates/debate/dail/2018-06-20/34/>.
- ⁹ Ibid.
- ¹⁰ See The Missing Profits of Nations @ <http://gabriel-zucman.eu/files/TWZ2018.pdf>; and, Offshore Shell Games @ <https://itep.org/wp-content/uploads/offshoreshellgames2017.pdf> for more details.
- ¹¹ Ireland's 26.3% Growth is a Farce, say Economists @ <https://www.independent.ie/breaking-news/irish-news/irelands-263-growth-figure-a-farce-say-economists-34876915.html>.
- ¹²Information found at <https://www.revenue.ie/en/corporate/documents/statistics/income-distributors/corporation-tax-calculation.pdf>.
- ¹³The information for this adjustment comes from a response to the Parliamentary Question 35033/18; 35028/18.
- ¹⁴More than 790,000 people are living in Poverty, of whom more than 250,000 are children @ <https://www.socialjustice.ie/content/policy-issues/more-790000-people-are-living-poverty-ireland-which-over-250000-are-children>.
- ¹⁵ This information will be referenced in the relevant sections below.
- ¹⁶ The information for the cost of building houses comes from Parliamentary Questions 33514/18 and 35064/18.
- ¹⁷ On the figures for homelessness see <https://www.irishtimes.com/news/social-affairs/almost-10-000-people-now-homeless-new-figures-show-1.3443383> On the rent figures see <http://www.thejournal.ie/daft-rent-rises-3847969-Feb2018/>. For the average house costs see @ <https://www.irishtimes.com/business/economy/average-rents-reach-all-time-high-of-1-304-per-month-1.3598655>.
- ¹⁸The information for this section comes from the Geoview Residential Report Q2 2018 @ https://www.geodirectory.ie/Geodirectory/media/GeoView-Reports/Geoview_Residential_Q2_2018.PDF; <https://www.independent.ie/business/personal-finance/property-mortgages/dublin-house-prices-at-lowest-in-12-years-after-latest-dip-26814472.html> and <https://www.independent.ie/business/personal-finance/property-mortgages/revealed-183000-vacant-homes-lying-idle-in-demand-hotspots-nationwide-35710041.html>.
- ¹⁹ According to USI Prebudget Submission third level requires an extra 25,754 beds at an

estimated cost of €100,000 per unit. To move towards this PBP would spend €500 million to create 5,000 extra beds in 2019. See the Union of Students Pre-Budget Submission @ http://usi.ie/wp-content/uploads/2018/06/USI-PRE-BUDGET-SUBMISSION-2019_FINAL.pdf for more details.

²⁰ Most of the information for this section comes from Parliamentary Questions 35006/18; 35051/18; 20822/18; 35007/18; 35052/18; 35022/18. The rest comes from the *Slainte Care Report* which can be found at https://data.oireachtas.ie/ie/oireachtas/committee/dail/32/committee_on_the_future_of_healthcare/reports/2017/2017-05-30_slaintecare-report_en.pdf

²¹ See the Euro-Health Consumer Index @ <https://healthpowerhouse.com/publications/euro-health-consumer-index-2017/>; for more information. Also see <https://www.irishtimes.com/news/health/waiting-times-for-healthcare-in-ireland-among-worst-in-europe-1.3372624>.

²² Hospital Waiting Lists reach high of 707,000 @ <https://www.rte.ie/news/health/2018/0614/970419-waiting-list-figures/>

²³ Figures from the National Treatment Purchase Fund @ <http://www.ntpf.ie/home/nwld.htm>.

²⁴ Ireland has one of the worst hospital waiting times in Europe @ <http://www.thejournal.ie/ireland-hospital-waiting-list-3212178-Jan2017/>.

²⁵ According to the Department of Finance Slainte Care will cost €2.8 billion every year by year 10 and €3 billion across 6 years to get it up to speed.

²⁶ The information for these adjustments comes from Parliamentary Question 35058/18 and government spending reports found at <http://www.budget.gov.ie/Budgets/2018/Documents/5.Disability%20and%20Special%20Education%20Related%20Expenditure%20-%20Part%20of%20the%20Spending%20Review%202017.pdf>.

²⁷ See <https://www.irishtimes.com/news/education/new-figures-show-extent-of-class-gap-in-higher-education-1.3573088> for more details.

²⁸ The information for this adjustment comes from Parliamentary Questions 37162/18 and 35056/18.

²⁹ See <http://www.oecd.org/education/education-at-a-glance/> for more details.

³⁰ See Early Childhood Ireland, "Pay Rates in the Irish Early Childhood Care and Education Sector." For more details.

³¹ The information for this adjustment comes from Parliamentary Questions 35052/18 and 35053/18.

³² The information for this adjustment comes from Parliamentary Questions 34998/18; 35067/18 and 35070/18.

³³ See this report from Social Justice Ireland for more details - <https://www.socialjustice.ie/content/policy-issues/more-790000-people-are-living-poverty-ireland-which-over-250000-are-children>

³⁴ The information for this section comes from response to PQ 25655/18

³⁵ The Information for this adjustment comes from the government's official expenditure figures found

@ [http://www.budget.gov.ie/Budgets/2018/Documents/Expenditure%20Report%202018%20\(Parts%20I-III\).pdf](http://www.budget.gov.ie/Budgets/2018/Documents/Expenditure%20Report%202018%20(Parts%20I-III).pdf) pg. 107 and from Parliamentary Question 35042/18.

³⁶ Arts and Budget 2016 – Crunching the Numbers @ <https://www.rte.ie/culture/2016/1011/823280-arts-the-budget/>.

³⁷ See the government's expenditure figures @ [http://www.budget.gov.ie/Budgets/2018/Documents/Expenditure%20Report%202018%20\(Parts%20I-III\).pdf](http://www.budget.gov.ie/Budgets/2018/Documents/Expenditure%20Report%202018%20(Parts%20I-III).pdf) pg. 55.

³⁸ How Much is Spent on Culture and Recreation in the EU? @ <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20170807-1>.

³⁹ [http://www.budget.gov.ie/Budgets/2018/Documents/Expenditure%20Report%202018%20\(Parts%20I-III\).pdf](http://www.budget.gov.ie/Budgets/2018/Documents/Expenditure%20Report%202018%20(Parts%20I-III).pdf)

- ⁴⁰ National Income and Expenditure accounts 2018 @ <https://www.cso.ie/en/statistics/nationalaccounts/nationalincomeandexpenditureannualreports/>
- ⁴¹ International Monetary Fund – World Economic Outlook @ <https://www.imf.org/external/ns/cs.aspx?id=28>.
- ⁴² See this report from Social Justice Ireland for more details - <https://www.socialjustice.ie/content/policy-issues/more-790000-people-are-living-poverty-ireland-which-over-250000-are-children>.
- ⁴³ Information for corporation profits found at <https://www.revenue.ie/en/corporate/documents/statistics/income-distributors/corporation-tax-calculation.pdf>. Note also that since 2012 the Revenue Tables exclude what are known as Manufacturing Profits. Post 2011 the figures outlined in the table underestimate the total profits and overestimate the effective tax rate. However, without accurate figures, it is impossible to put an estimate on this discrepancy.
- ⁴⁴ See The Missing profits of Nations @ <http://gabriel-zucman.eu/files/TWZ2018.pdf>; and, Offshore Shell Games @ <https://itep.org/wp-content/uploads/offshoreshellgames2017.pdf> for more details.
- ⁴⁵ The information for this adjustment comes from Parliamentary Question 35024/18.
- ⁴⁶ Irish Congress of Trade Unions -The Truth About Ireland's Taxation System @ https://www.ictu.ie/download/pdf/the_truth_about_irelands_tax_system.pdf.
- ⁴⁷ The information for this adjustment comes from Parliamentary Question 35044/18 and from the Irish Central Bank New Data on Foreign-Exchange Contracts and OTC Interest-Rate Derivatives Market in Ireland @ <https://www.centralbank.ie/docs/default-source/statistics/credit-and-banking-statistics/bis-survey-on-foreign-exchange-and-derivatives-markets/gns-6-2-2-7-press-release.pdf?sfvrsn=4>.
- ⁴⁸ This information comes from Parliamentary Question 35044/18.
- ⁴⁹ See this Central Bank report @ <https://www.centralbank.ie/docs/default-source/statistics/credit-and-banking-statistics/bis-survey-on-foreign-exchange-and-derivatives-markets/gns-6-2-2-7-press-release.pdf?sfvrsn=4> for more details.
- ⁵⁰ See <https://www.independent.ie/business/irish/leprechaun-economics-irelands-26pc-growth-spurt-laughed-off-as-farcical-34879232.html> for more details.
- ⁵¹ Review of Ireland's Corporation Tax Code @ <https://www.finance.gov.ie/wp-content/uploads/2017/09/170912-Review-of-Irelands-Corporation-Tax-Code.pdf> pg 124.
- ⁵² Ibid, pg 130.
- ⁵³ Note – in the latest corporation tax tables the levels of deductions in intangible assets are not listed. Accordingly, we have had to use information from the Coffey Report and apply this to the only year for which we have accurate information. See <https://www.finance.gov.ie/wp-content/uploads/2017/09/170912-Review-of-Irelands-Corporation-Tax-Code.pdf> pg 124.
- ⁵⁴ The information for this adjustment comes from a response to the Parliamentary Question 36600/18.
- ⁵⁵ The information for this adjustment comes from a response to the Parliamentary Question 35041/18.
- ⁵⁶ Medication Nation Can Be Found @ <https://www.rte.ie/player/ie/show/medication-nation-30004530/10680645/>.
- ⁵⁷ See the Irish Times @ <https://www.irishtimes.com/news/health/broken-health-care-system-to-blame-for-huge-rise-in-opioid-use-say-gps-1.3380432> for more details.
- ⁵⁸ The information for these adjustments comes from Parliamentary Questions 36196/18 and 36592/18.
- ⁵⁹ See this Journal Article @ <http://www.thejournal.ie/vat-hike-for-large-hotels-likely-as-minister-says-overcharging-for-rooms-is-ruining-irelands-rep-4163486-Aug2018/>.
- ⁶⁰ Many of Ireland's Wealthiest taxed at rate below average worker @ <http://www.thejournal.ie/ireland-rich-taxpayers-hwi-2015-4260493-Sep2018/>

⁶¹The information for these adjustments comes from Parliamentary Questions 35018/18 and 35020/18.

⁶²This information comes from the Central Statistics Office Income Tax Distribution Statistics. See

@<https://www.cso.ie/px/pxeirestat/Statire/SelectVarVal/Define.asp?Maintable=RVA01&PlanGuage=0> for more details.

⁶³ The information for this adjustment comes from Parliamentary Question 36595/18.

⁶⁴The information comes from the Revenue Commissioners Pre-Budget Ready Reckoner @ <https://www.revenue.ie/en/corporate/documents/statistics/ready-reckoner.pdf> pg 4.

⁶⁵ The information for this adjustment comes from a combination of Parliamentary Question 35042/18 and last year's estimate from the Department of Finance.

⁶⁶ See Annual Commercial Property Review and Outlook 2018 @ https://www.scsi.ie/insight/annual_commercial_property_review_2018 pg 10.

⁶⁷Revealed 183,000 vacant homes lying idle in demand hotspots Nationwide @ <https://www.independent.ie/business/personal-finance/property-mortgages/revealed-183000-vacant-homes-lying-idle-in-demand-hotspots-nationwide-35710041.html>

⁶⁸ The information for this adjustment comes from a response to Parliamentary Questions 35033/18 and 35028/18.

⁶⁹ The figure for the number of households came from the Census 2016 figures collected by the Central Statistics Office. See <https://www.cso.ie/en/releasesandpublications/ep/p-cp4hf/cp4hf/hhlds/> for more details.

⁷⁰ The information for this adjustment comes from the Revenue Commissioners Pre-Budget Ready Reckoner @ <https://www.revenue.ie/en/corporate/documents/statistics/ready-reckoner.pdf> pg 11.

⁷¹See this article @<https://www.independent.ie/business/personal-finance/pensions/longawaited-plan-to-force-workers-to-pay-into-a-pension-37243240.html> for more details.

⁷²See this article @<https://www.independent.ie/business/personal-finance/pensions/longawaited-plan-to-force-workers-to-pay-into-a-pension-37243240.html> for more details.

⁷³ The information for this adjustment comes from the Revenue Commissioners Pre-Budget Ready Reckoner @ <https://www.revenue.ie/en/corporate/documents/statistics/ready-reckoner.pdf> pg 13.

⁷⁴ The information for this section comes from a response to PQ 36594/18. The scheme has cost €110 million over three years. To calculate the €37 million we divided the full amount by the three years of the scheme's existence and extrapolated forward.

⁷⁵National Development Plan to Receive €115 Billion @ <https://www.rte.ie/news/economy/2018/0205/938359-cabinet-to-meet-on-national-planning-framework/>.

⁷⁶ This information comes from the annual reports from NAMA and the Irish Strategic Investment Fund See https://www.nama.ie/fileadmin/user_upload/NAMA_2017_Annual_Report_Presentation.pdf; http://www.ntma.ie/annualreport2017/ireland_strategic_investment_fund.html# for more details.

⁷⁷The information for this section comes from the Geoview Residential Report Q2 2018 @ https://www.geodirectory.ie/Geodirectory/media/GeoViewReports/Geoview_Residential_Q2_2018.PDF; <https://www.independent.ie/business/personal-finance/property-mortgages/dublin-house-prices-at-lowest-in-12-years-after-latest-dip-26814472.html> and <https://www.independent.ie/business/personal-finance/property-mortgages/revealed-183000-vacant-homes-lying-idle-in-demand-hotspots-nationwide-35710041.html>.

⁷⁸ According to USI Prebudget Submission third level requires an extra 25,754 beds at an estimated cost of €100,000 per unit. To move towards this PBP would spend €500 million to

create 5,000 extra beds in 2019. See the Union of Students Pre-Budget Submission @ http://usi.ie/wp-content/uploads/2018/06/USI-PRE-BUDGET-SUBMISSION-2019_FINAL.pdf for more details.

⁷⁹ According to the Central Statistics Office Average Annual Earnings were €38,584 last year. We would pay this wage and add on €11,416 per job for initial set up costs. See <https://www.cso.ie/en/releasesandpublications/er/elcq/earningsandlabourcostsq42017finalq12018preliminaryestimates/> for more details.

⁸⁰ Failure to Reduce Our Carbon Emissions is not an Option @ <https://www.irishtimes.com/news/environment/failure-to-reduce-our-greenhouse-gas-emissions-is-not-an-option-1.3560311>.

⁸¹ Ireland can't reach target to cut carbon emissions by 2020 @ <https://www.irishtimes.com/news/environment/ireland-can-t-reach-target-to-cut-carbon-emissions-by-2020-1.3576192>

⁸² An Enterprising Wind. An Economic Analysis of the Job Creation Potential of the Wind Sector in Ireland @ http://www.siemens.ie/pool/news-events/press_releases/an-enterprising-wind.pdf.

⁸³ According to the Governments Official Expenditure Report the Gross Voted Capital Expenditure for 2018 is €1,643 million. We would therefore allocate 160 million of this to cycling.

⁸⁴ https://www.wdc.ie/wp-content/uploads/reports_rail_review.pdf.

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