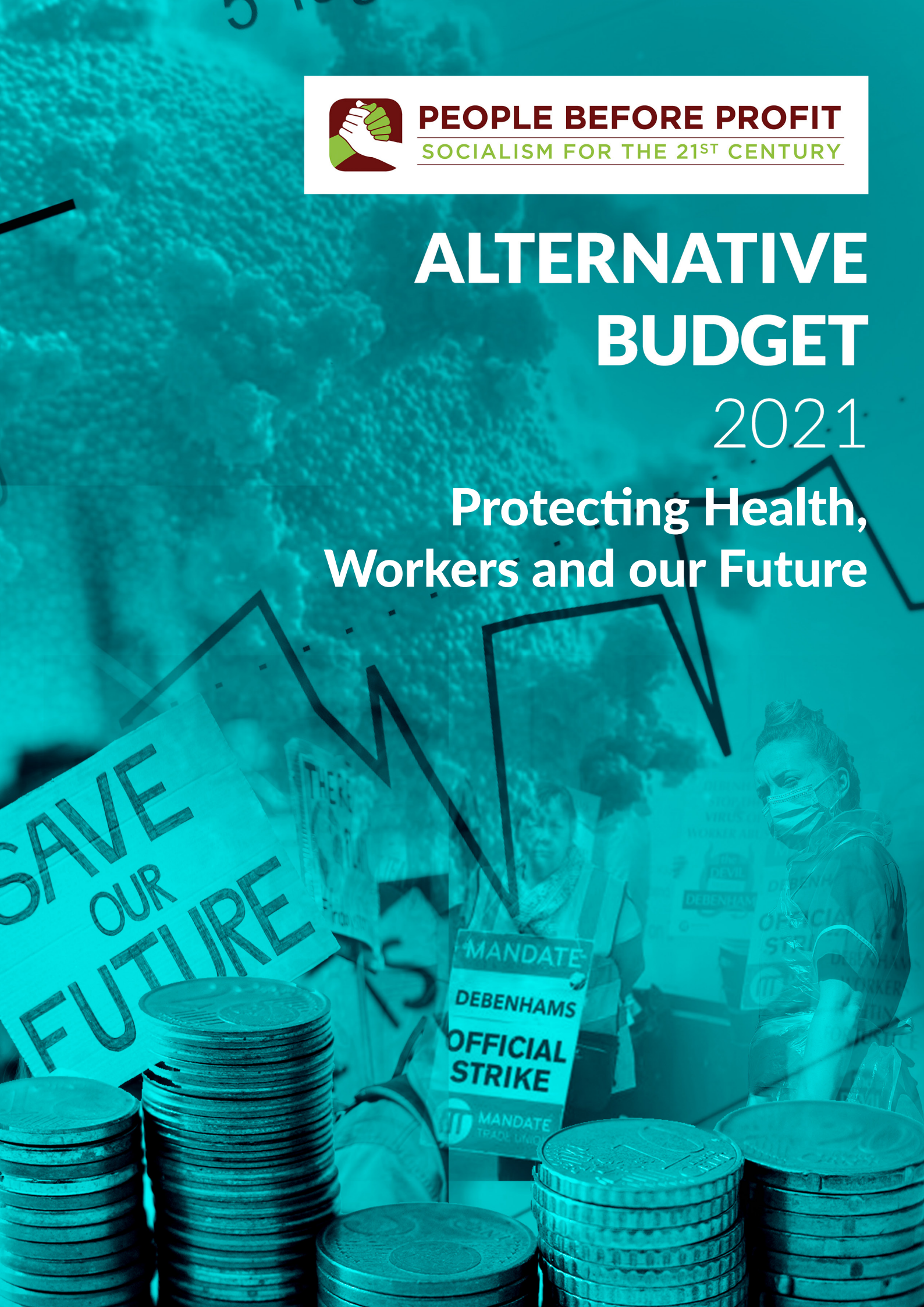
PEOPLE BEFORE PROFIT
SOCIALISM FOR THE 21ST CENTURY

ALTERNATIVE BUDGET 2021

Protecting Health, Workers and our Future



A ZERO-COVID STRATEGY
INTRODUCTION

People Before Profit Alternative Budget 2021

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Introduction

The Corona Virus crisis has radically altered the world in which we live.

The economic shock caused by Covid-19 is without precedent. The immediate lockdown and subsequent collapse of the economy was extremely sharp, with more than a million people laid off or receiving up to 85% of their wages from the state. The threat of a second lockdown is also imminent, making it likely that hundreds of thousands of people will be laid off or have their wages subsidised by the state for a second time.

Stark images and social media posts from frontline health workers pleading to be listened to and demanding proper protection while they battled this virus became commonplace virtually overnight. Shortages of masks, of gowns, of gloves, of ventilators, of testing kits all contributed to the already extreme pressure on the public hospital system and healthcare workers, now dealing with Covid-19. The shameful legacy of austerity meant that we entered this crisis with less than half the Intensive Care Bed Units of many of our counterparts and the longest waiting lists in Europe.

The Covid-19 crisis has shone a light on who is important in Irish society and posed new questions about how we organise the economy and services. The health crisis has served to highlight our housing crisis, the crisis in Direct Provision, in our nursing homes, our classrooms, our workplaces: enormous pressure forced the government to shore up key public services having spent years saying they didn't have the money. But despite government's narrative that 'we are all in this together', despite the government urging us all to follow guidelines in order to support front line workers and the most vulnerable in our society, it became increasingly obvious that in the middle of a public health pandemic it was still more important to protect the capitalist economy than to protect the people who work in it.

Rather than forcing industry to manufacture the equipment necessary, health workers were put at risk as they continued to work without sufficient protective equipment.

Rather than forcing private hospitals to step up to the plate, millions were spent 'compensating' billionaires like Denis O'Brien and Larry Goodman, vulture funds and religious orders for the use of their medical facilities.

Rather than forcing business to implement health and safety standards, factory workers – particularly in meat plants - are put at risk.

Rather than buying up the thousands of empty properties that lay idle following the collapse of tourism and housing the homeless, millions more of public money was spent on short term private rent contracts.

Rather than hiring thousands of additional teachers and classroom assistants, schools were forced back without sufficient guidance and resources.

Meanwhile, billions were announced in supports for businesses including large and profitable businesses with large cash reserves, warehousing of business tax liabilities for up to 12 months, writing off commercial rates and low interest credit or grants.

Anxious to protect business interests and the wealth amassed over the last seven years, the state also favours borrowing on international bond markets to pay for the crisis rather than increasing taxes on higher earners or on household wealth.

So, while espousing the narrative of '***we are all in this together***', the state is gearing up to make sure that it is workers and the most vulnerable in society who will pay for the latest crisis through higher risks to their health, extra public debt and longer-term austerity.

From health care to housing, from workplace safety to unemployment payments, the pandemic lays bare once again the way in which society is organised in the interest of profit, rather than humanity.

No one knows how long this Pandemic will last or how much devastation it will cause. In addition to the health crisis, we are facing another economic recession and of course, the crisis of the planet is ongoing and must be faced head on.

A ZERO-COVID STRATEGY

People Before Profit's Alternative Budget 2021 is one that favours a '***Zero-Covid Strategy***'.

Rather than vacillate between the options of throwing all caution to the wind and reopening society with limited restrictions, or going back into full lockdown and shutting down society and the economy and pushing more people out of work, there is an alternative strategy: a Zero-Covid strategy based on isolating the virus and targeting it where it is located.

Alongside investments in public services, this strategy involves investment in the world's best testing and tracing regime to aggressively tackle Covid-19. Alongside this preventative Zero-Covid strategy, we would focus investment in public services: we need to increase capacity in our healthcare, decongest overcrowding in housing, create safer schools and childcare service and radically increase capacity in public transport. These initiatives would improve our infrastructure, create thousands of jobs and move Ireland in a more progressive direction.

We propose using the vast wealth created and hoarded from the last recession as well as profits generated during the pandemic to pay for it.

While government favours a strategy of competition and austerity, we favour solidarity and services. While government wants us to believe we are all in this together, for that to be a reality we favour the immediate establishment of Solidarity and Wealth Taxes.

We favour moving away from chronic under investment in our public services. We favour moving away from the legacy of the low wage economy and towards paying workers a decent wage. We favour shifting the burden to corporations and ending Ireland's Tax Haven status. We favour a move away from the world's worst ranking on carbon emissions towards a Green and Just Economy proposing initiatives that will keep climate action on the agenda. Ireland continues to struggle to achieve clean energy and greenhouse gas emissions goals. Although the COVID-19 emergency has led to a reduction in greenhouse gas emissions, this is only a temporary reduction, and more work is required. It is essential to ensure that while we focus our energies on adjusting to the global health pandemic that we continue to prioritise our climate requirements.

People Before Profit insists that there is an alternative.

Alternative Budgets are designed to offer an alternative vision to the population and for People Before Profit this means one that prioritises the planet and its people over corporate profits and pollution. Our proposals challenge the perpetual logic of self-interest and private profit that have created such devastation to our society and planet suggesting immediately implementable measures that will bring us closer to an economy that puts people and planet before profit.

October 2020

SECTION ONE

EXPENDITURE

People Before Profit Alternative Budget 2021

Section One – Expenditure

Governments have a duty to use the resources at their disposal for the betterment of everyone in society. In our **Alternative Budget 2021,** People Before Profit deliver on this duty, by showing the economic options that are available in one of the richest countries in the world.
The effects of the global health crisis presents even more compelling grounds than ever before for redistributing some of the vast wealth in the country to protect individuals and families, especially the most vulnerable.

The climate emergency continues to be a major priority and must be a central part of budgetary decision making from now on.

For these reasons People Before Profit will use Budget 2021 to:

(1) Make a serious investment in a 'Zero-Covid Strategy' including tracking and tracing, protecting workers and investments in health and other public services;
(2) Boost employment through investment in the public sector – including housing, transport and education - badly damaged through the years of austerity;
(3) Redistribute resources and services to low and middle-income workers and the more vulnerable in society who need support in a more turbulent economic and public health environment;
(4) Direct resources into climate change initiatives that are capable of contributing to our Co2 emission reductions over the next decade while guaranteeing a just transition for working people and ensuring climate measures improve the quality of life for the majority;
(5) Increase the tax contribution of corporations, big business and the wealthiest to fund the necessary investing in the Zero-Covid Strategy, healthcare, housing, social protection and climate action.

1. Measures for a Zero-Covid Strategy

'Zero-Covid' does not mean absolute zero or no Covid. It means reducing the virus to such low levels that any new cases can be swiftly tracked, isolated and contained. It means getting the Virus under control, protecting the most vulnerable and enabling society to reach a point where restrictions could be mostly lifted.

To achieve this, there are a number of measures that would need to be put in place:

1.1 Mass testing and tracking infrastructure;
1.2 Building healthcare capacity and a National Health Service
1.3 Protection for workers' incomes and workplace safety;
1.4 A network of social, economic and cultural supports;
1.5 Funding an all-Ireland Covid strategy

1.1 A Zero-Covid Infrastructure

Mass Testing, Tracking and Tracing

Perhaps the most important of the Zero-Covid Strategy measures is the building of a permanent mass testing infrastructure, the reduction of test turnaround and times to less than 24 hours and developing a robust tracking system based on increased funding to local public health teams.

An Oireachtas Special Committee report put the marginal cost for tests carried out in private labs at €140, while those carried out in public hospitals were around €90.[1]

A public system that was set up for mass testing would reduce these costs considerably[2].

Proposal:
To increase Covid-19 testing to 200,000 Covid-19 tests per week through the existing network of State-owned and operated medical laboratories (double existing capacity of 15,000 per day/100,000 per week).
Cost: €828 million

Other testing methods such as pooled testing could also be used in order to aggressively chase the virus. Pooled testing has the advantage of being able to exclude large numbers of people from having to get an individual test. It would also help to discover asymptomatic people and prevent further spread of the disease. It is also far less time-consuming than getting a sample from an individual.

Pooled Testing Approaches:

Swab-based individual testing protocols used at the minute are effective but not efficient given the costs associated including staffing, PPE, swabs and reagents. Conducting swab based testing is of itself expensive endeavour. Furthermore, taking an individualised approach sets constraints on disease surveillance efforts, which are crucial in hunting the virus down when transmission is reduced. A swab-based pooled approach, where individual samples are combined for testing, was successfully employed in Hubei Province in China after the initial outbreak in Wuhan, and has since been rolled out across Germany, New Zealand, India and parts of the USA. Batch testing has been an integral part of public health responses to STIs, HIV and Hepatitis B and C, going as far back as the 1940s, its application to Covid-19 could allow for the expansion of testing in the population without direct expansion of existing test capacity. These tests have the power to tell us about the spread of the virus through swathes of the population in a quick and cost-effective manner and their implementation should be thoroughly investigated.

In addition, the introduction of rapid point-of-care (POC) testing would protect vulnerable people and healthcare workers alike within the health and care sectors. As new technologies to deliver these tests are developed the state should invest to roll them out on the frontlines of the pandemic.[3]

Proposal: **Government should increase available funding for research and development of new testing/tracking technologies and therapies via the Health Research Board Covid Call and other specific Covid-19 research initiatives.**
Cost: €100 million

Tracking and tracing by consultant led, multi-disciplinary public health teams[4].

A central plank of the "Zero-Covid strategy" is to track down the virus with well funded public health teams. Best practice is to ensure these teams are led by public health doctors and are locally based. This allows for "backward tracking" – a system that seeks to find out where the virus is coming from, rather than just looking at who any infected patient might have given it to, and seeking to isolate clusters quickly and, if necessary, deploy local testing teams for whole populations.

Public Health in Ireland has been underfunded for decades, the result of this is a woefully inadequate tracking system. To change this we need to support the IMO public health doctors in their fight for Consultant status, and fund the staffing of our public health teams across the country.

Proposal: **Invest in community public health teams across the country**
Cost: €35 million

1.2 Building healthcare capacity and a National Health Service[5]

In addition to an aggressive testing regime, we urgently need investment in our chronically underfunded health services. Our health system suffered the brunt of the shock of the global pandemic. Cuts to services, resources, staff and their pay were revealed as our public health system strained to respond to the first wave of the pandemic. Ireland went into the Covid19 pandemic with the second lowest ICU capacity in Europe (5.5 per 100,000 in the South). While this capacity was expanded in response to Covid-19, it remains far below the European average. However despite perpetual calls to even greater increases to capacity in the public hospital network, vast payments were made to private hospitals to provide access to beds in case they were needed.

Private hospitals must be brought under public control, but this time without lining the pockets of the likes of Larry Goodman, Denis O'Brien, Bon Secours, and various multinational investors. Moreover, the extra capacity should be put to use to clear our waiting lists if it is not required to tackle Covid-19. It is estimated that in the region of €115 million a month was paid to the private hospitals during the first wave of the virus, despite the fact the extra beds were largely unused because the public hospitals did not reach full capacity[6]. We must insist that this unprecedented health emergency that has compounded the already existing health crisis is not something that anyone should profit from, and that all the stops must be pulled out to deal with it.

We do not know how long this Pandemic will last. Already there are fears that a health system that was at breaking point at the beginning of last winter will be massively overwhelmed as we enter the winter season in 2020 with cases on the rise.

Proposal	Cost millions €
Employ 4,000 extra nurses	206
Employ 500 extra consultants to bring Ireland in line with European norms, to include public health consultants.	123
Add 1,000 beds to the acute hospital network	328
Add 263 ICU beds (capital cost)	395
Cost of running additional 263 ICU beds per annum	197
Invest in community public health teams across the country	35
Abolish all inpatient and emergency department charges for public patients	18.6
Reduce drug payment threshold from €124 to €50	84
Increase Health and Well-Being Budget- including €41m for child health and well being service	274
Reinstate pre crisis dental treatment services scheme and increase by 100%	67
Scrap prescription charges for medical card holders	94
Universal Free GP care	455
Universal Primary Care	256.5
Total Cost Millions	2533.1

**For the Purposes of this calculation we have assumed all consultants would be hired on public only contracts.*

1.3 Protecting Workers

A second vital aspect of a successful Zero-Covid strategy is the need to protect workers, both their income and their workplaces.

The rhetoric from the government about "all being in it together" is contradicted by cuts to the Pandemic Unemployment Payment and changes to the Wage Subsidy scheme. The fight against Covid-19 is ongoing with future surges and waves that will continue to restrict employment and movement across the country. Workers affected are in the hundreds of thousands, in fact near million across the country. These workers affected will need income guarantees to cope with the ongoing effects of the pandemic as well as ensuring that workers can comply with restrictions thus not putting themselves or their families at greater risk and giving us, as a society, greater chance of containing the spread of the virus.

All workers affected by the Covid pandemic must be supported with a minimum payment of 350 euros per week, including those over the age of 65 and seasonal workers. It is also essential to ensure that workers in the taxi industry, the arts, entertainment, events, hospitality tourism and others whose industries are specifically affected and show no sign of returning to pre Covid levels of activity in the medium term are supported with tailored and targeted schemes involving step down payments to allow for partial returns to work in an ongoing Covid crisis.

We propose that the Pandemic Unemployment Payment and the Wage Subsidy Schemes be paid to end of 2021. However, in the interest of prudent budgeting and in confidence that a Zero-Covid Strategy, if properly implemented could reasonably lead to the expectation that certain sections of the economy will recover. To this we have budgeted on the basis of an average level of payments and recipients for the first four months of 2021[7].

Scheme	Present Number of Recipients	Nature of Scheme	Cost to the State Weekly	Estimated Cost to end 2021 millions
Covid-19 Unemployment Scheme	**250,000**	**€350 Weekly Payment**	**€87.5 Million**	**€1,400**
Covid-19 Wage Subsidy Scheme	**400,000**	**€330 Weekly Payment**	**€132 Million**	**€ 2,112**

Heavy investment is required to ensure workplaces can be as safe as possible. Frequent unannounced inspections of workplaces are also necessary, along with sanctions on any workplace that puts workers at risk[8].

Proposal: Treble the €12 million budget allocated to the HSA (there were 181 staff, of which 109 are Inspector grade in the employ of the HSA at the end of August 2020. 6,780 inspections were carried out of which 3,265 addressed Covid-19).
Cost: €24 million

Access to health care is essential for our frontline workers - the current situation still forces many workers to choose between staying at home and being unable to pay the bills, or going to work and risking infecting their colleagues.

People before Profit will prioritise the safety of our front line workers in this Budget. Protecting and rewarding them means helping the fight against Covid 19 and protecting all of society.

- We call on government to introduce emergency legislation that will allow for measures to ensure:
    - that all staff in the nursing home and care sector that protect and work with our elderly have access to a sick pay scheme.
    - that all workers in Meat processing, Dairy and horticulture sector have access to a sick pay scheme.
    - That all workers in essential retail and other frontline workers in the private sector, including those in private nursing homes and meat processing facilities will have access to a sick pay scheme to ensure the workers' health is not compromised during the crisis.

Covid-19 has particularly impacted, in some cases devastated, a number of sectors: the Taxi industry, the Arts, music, performance, live events, tourism and hospitality.

Whereas some in these sectors, in PAYE employment and employers, have benefitted from the Temporary Wage Subsidy Scheme and/or the Employer's Wage Subsidy Scheme, tens of thousands, particularly taxi drivers, and those in arts, music, events, performance and parts of tourism, because they are self-employed or only gain employment periodically, have received little or no support other than the Pandemic Unemployment Payment, which is now being reduced. Furthermore, even where some recovery may occur for these sectors, until Covid-19 is fully eradicated, any recovery will be minimal and employment opportunities will be dramatically reduced.

Currently, there are 22,000 drivers with PSV licences and an estimated 35,000 were employed in the music, events and live entertainment sector. There are also many other performers, artists and crew in similar situations across arts and culture.

People Before Profit propose a specifically tailored package of supports for these sectors. This will include a step-down income subsidy at the full €350 PUP rate beyond which recipients will also be able to take the reduced amount of work that may be available until the Pandemic ends and their sectors recover. It will also include grants to cover on-going costs such as insurance, equipment and vehicle loan repayments, maintenance and repairs, travel and other work-related costs.

We propose a standard grant of up to €5,000 for self employed individuals (est. 50,000) and up to €10,000 for SME's with 10 or less employees (est. 10,000).

Proposal: Self Employed Individual's and SME Grant.
Cost: €350 million

1.4 A Network of Social, Economic & Cultural Supports

Covid-19 has had a disproportionate impact on those in poverty and most disadvantaged and has reinforced existing inequalities. These inequalities include inadequate social welfare supports, high levels of low paid workers, low investment in public services which among other things has led to a homelessness crisis, a dysfunctional health system with high levels of health inequality, and many groups in our society being left behind".

Budget 2021 must protect those already severely disadvantaged and take visible steps to address existing inequalities so that we can begin to arrive out of this crisis as a more just and fair society underpinned by values of Community, Participation and Decency

Social Protection[9]

Poverty is the norm for many people living in Ireland. Social Justice Ireland put the number of people living below the poverty line at 760,000 with 15.7% of the population living in consistent poverty.

The introduction of the Pandemic Unemployment Payment was an admission that €203 is far too little to live on. That hasn't changed.

As an act of social solidarity and in order to begin a longer term process that will move us towards a basic payment that gives everyone a decent standard of living we propose an increase of €50 to all social welfare payments. This will serve to provide additional support to vulnerable groups including lone parents, pensions, people with a disability and the working poor. In addition, in recognition of the additional strains placed on carers, we propose a €1,000 carers bonus.

Proposal	Cost millions €
Increase all social welfare payments by €50	**3,918**
€1,000 carers bonus	**116**

Mental Health – Investing in Services[10]

The national mental health budget has remained at approximately 6% of the overall health budget for many years. Almost 2,000 children and young people are on waiting lists for child and adolescent mental health services and in January 2020, there were 10,642 individuals on a waiting list for a primary care psychology appointment, with 33% of them waiting more than a year to be seen. However, there are fewer staff working in mental health services today than there were in 2008 – just 78% of the mental health staff required are in post in line with A Vision for Change recommendations.

Mental health services have remained at just 6% of the overall health budget for several years. The impact of Covid-19 has had a significant effect on people's mental health and the full impact may take a considerable time to become known. It is more important than ever to radically increase mental health services available in communities and through our national health service as more people come forward seeking support in a mental health system that was already under serious pressure before the pandemic.

Given that the Vision for Change had more specific and far reaching objectives on staffing, we call on Government, as a matter of urgency, to invest an additional €177 million to bring staffing levels up to the Vision for Change recommendations.

€30 million more must be invested to maintain existing levels of services, €10 million is needed to commence the short-term recommendations of the new mental health policy Sharing the Vision and €50 million must be used exclusively for developing mental health services to deal with the new challenges faced.

Proposal	Cost millions €
Increase mental health staffing in HSE to Vision for Change required levels	**177**
Develop mental health services to deal with new challenges faced	**50**
Mental health professionals required within the primary care, community and voluntary sectors	**100**
Additional funding to maintain existing levels of service	**30**
Commence short term recommendations of Sharing the Vision	**10**
Total Cost Millions	**367**

Support for Young People – Resourcing Youth Services[11]

The youth sector in Ireland faced massive cuts in the wake of the financial crisis and bank bailout in 2008. Budgets have never recovered with current funds still 15% below 2008 levels.

Young people have been hit hard by the pandemic, but recent research indicates that youth services have helped young people through the crisis. It is, therefore, vital that we invest in youth work services to support young people through this challenging time.

Across the country young people coming out of lockdown have less things to do and opportunities to meet their peers than they did before the pandemic hit. Resourcing a specialised team of dedicated outreach youth workers in each of our electoral districts will create a network of on street supports. Young people at risk that are engaged with professional youth workers are more likely to stay engaged with education and other social and emotional supports.

Proposal: Fund a network of dedicated outreach youth work teams in every LEA. **Cost: 166 LEAs x 300,000 = €49.8 million**
Proposal: support the NYCI call for an additional €4.7 m in funding to the youth sector. **Cost: €4.7 million**

Disability[12]

Individuals and families affected by disabilities are at breaking point after five months of reduced or closed services. They were already in crisis before COVID-19:

- Ireland has the lowest employment rate for people with disabilities in the EU. It is almost 20% lower than the EU average of 50.8%.
- Almost half of those not at work due to illness or disability, are at risk of poverty. This rate is 14% for the general population.
- Over 1,300 people aged under-65 live in nursing homes.
- Only 0.3% of all people with disabilities access a Personal Assistant Service, PAS.
-

According to the Disability Federation of Ireland, COVID-19 has exposed issues already facing people with disabilities and their organisations, including:

- Voluntary disability services carry funding deficits of over €40m.

Charities will lose an average of 40% of their income due to COVID-19.

Proposal: Allocate in the budget to cover the full costs of COVID-19 expenditure in disability services in 2021.
Cost: €120 million

Supporting the Arts

Support for the arts is vital for the wellbeing of whole of society. Access to and engagement with culture helped us to get through the initial crisis as we were suddenly forced into lockdown. It will be the arts and culture that will help us to cope with and understand our changed world as we move through the uncertain times the future holds.

However, the arts, music, events and live entertainment sector has been devastated by the Covid-19 pandemic. This will remain the case as long as physical distancing regulations remain in place. The crisis for this sector comes against a background of long standing and chronic underfunding. While the European average for funding of arts and culture is 0.6% of GDP, in Ireland the figure is 0.1%. People Before Profit has been in the forefront in demanding additional supports for those working in both the funded arts sector and the music, events and entertainment sector.

The government has announced an additional €25 million in additional Covid funding on top of the 2020 allocation of €351 million. This is not nearly enough to address the financial crisis faced by 35,000 people in the music and events sector alone. In 2021 People Before Profit propose to increase programme expenditure by €150 million to bring the total to €500 million for 2021. This will be used to provide grant funding to cover ongoing costs for musicians, crew, technicians, performers and artists. It will also be used to fund online and broadcasting initiatives and other opportunities for performers and crew to work within the constraints of public health guidelines without losing their PUP income supports.

Proposal: Additional Arts sector funding.
Cost: €150 million

Community Resilience[13]

Over the past 15 years, the infrastructure supporting community work activity in Ireland has undergone significant change. Alongside massive cuts to the sector, a rationalisation process reduced the number of representative organisations based in communities.

Since these cuts and policy changes, new issues for community work such as the challenges of increased global migration and the rise in populism, and climate justice have emerged, and others, such as homelessness and mental health issues have become compounded. Developing a community work response to these and other issues leading to increased collaboration, the development of effective new and alternative strategies, responses and approaches, increased participation of those affected by these issues, strong partnership between state agencies and the community sector, has been difficult in the current context. Despite these challenges however, the community sector across Ireland was instrumental in leading out on establishing networks of support and care for the most vulnerable groups during the corona virus lockdown.

Additional and targeted funding must be made available to existing groups or organisations that work to address poverty, inequality or social exclusion to mitigate the impact of Covid-19 on already marginalized communities.

Provide additional funding of 5% community budget allocation under Dept Rural Community Affairs
Cost : €7 million

Supporting our Elderly[14]

There is little doubt that our elderly, among them our most vulnerable, have been the hardest hit and have borne the brunt of the pandemic. They have been the most isolated throughout the lockdown. The Pandemic has highlighted many of the deficiencies within the nursing home sector and in the wider health and social care infrastructure in Ireland – the fractured nature of nursing homes, the waiting lists for home care. While we advocate provision of nursing home care in the public sector for all who require it, we also value giving elderly people the choice to continue to live at home. However, in the State there are currently more than 8,000 elderly people on the waiting list for home care. Ironically, home care costs a fraction of what nursing home care costs, €160 per week as compared to approximately €1,500 respectively. And yet, due to long waiting lists for home care, elderly people are being prematurely pushed into nursing homes.

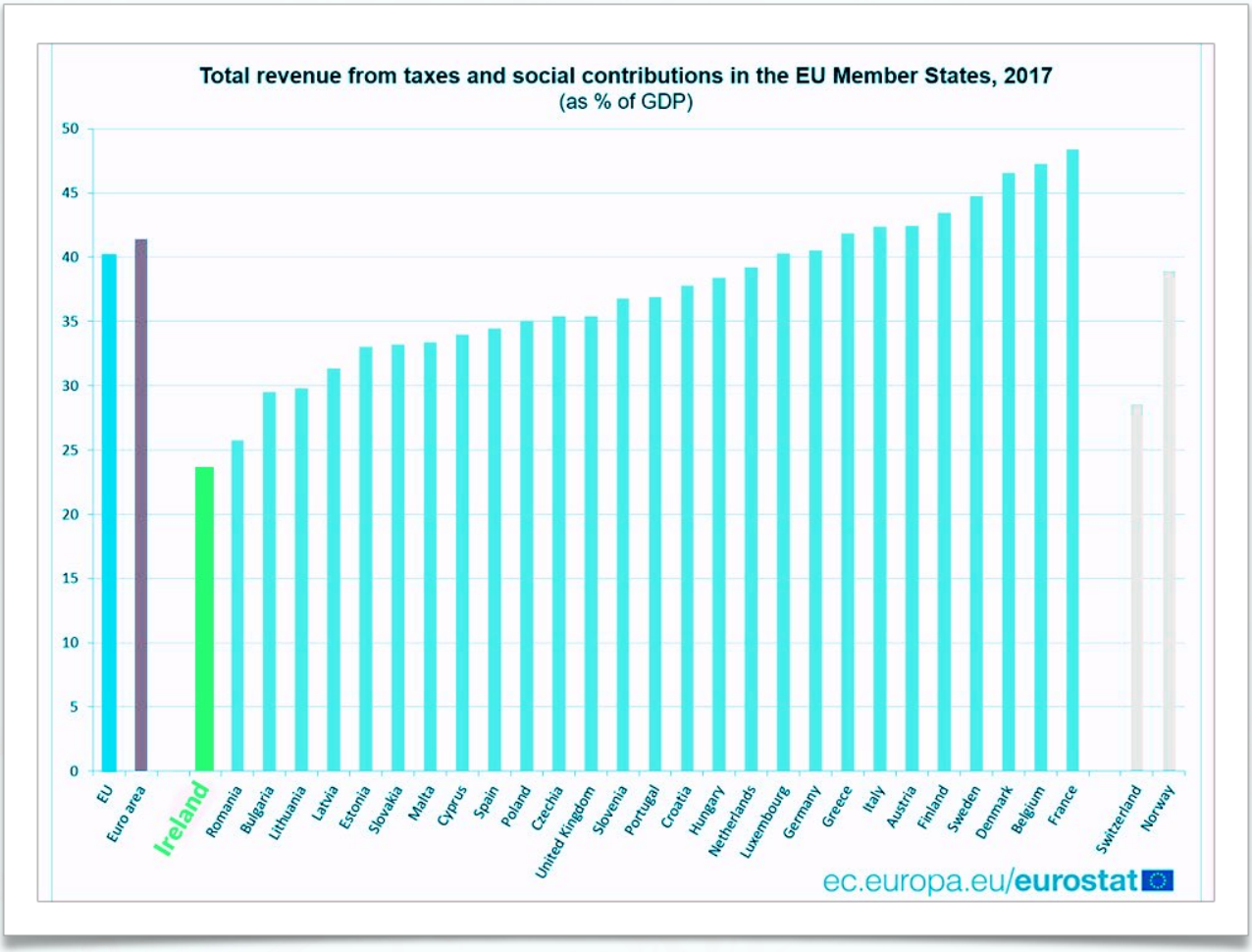
Care at home has to be properly supported. A first step is to clear the current waiting list for those in need of home support.

Proposal: **Clear the current home support waiting list and to address those assessed and waiting for funding for home support.**
Cost €34.4 million

Elderly people in receipt of the state pensions will also benefit from our proposal to increase all social welfare payments by €50 as outlined above.

1.5 Investing in Our Public Services and Infrastructure

The government's current responsibility to workers and the poor becomes even clearer when one realises that state provision of public services is unusually low.[15] The table from Eurostat below shows Ireland is the lowest spending economy in Europe when Gross Domestic Product is the metric being used.



Yet even when Ireland uses the supposedly non-distorting figure for Modified Gross National Income, the state remains a laggard in terms of the provision of public services. Average Euro area spending currently comes to 42% of GDP. If we get that proportion of Gross National Income* the state should have allocated €83 billion to public spending prior to the Covid 19 crisis for 2020, instead of the €70 billion it actually allocated. These figures will now change to meet the costs of the current crisis, but the fact remains that Ireland is a laggard in terms of public spending, despite increasing taxes on working people over the last decade.

Housing[16]

In Ireland, single occupancy homes account for only 29.5% of dwellings compared to 40% in Sweden. Government has been keen to push the line that Covid-19 is more likely to spread "in the home", ignoring the fact that people must contract the virus in the community before bringing it home. Nevertheless, once people do go home, the conditions at home are important. Recent data indicates a significantly higher rate of infection in areas of Dublin where many people live in substandard, cramped housing conditions. These are also the areas where a higher proportion of people who work in manual jobs and for whom working from the safety of home is not an option.

Proposal	Cost Millions €
Double the funding made available to Local Authorities for the provision of additional emergency homeless accommodation that will facilitate greater social distancing and to provide for increased services including Day Services, Homeless Health Services as well as additional funding for Women's Refuges and Traveller Accommodation to enable them to better adapt to Covid-19 housing requirements.	**166**
Provide funding for acquisition of vacant accommodation to alleviate chronic overcrowding in local authority accommodation, Direct Provision centres and affordable accommodation for third level students **Acquire 5,000 Vacant Houses in Dublin at a cost of €379,000 each** **Acquire 5,000 Vacant Houses Outside Dublin at a cost of €260,000**	 **1,896** **1,300**
Build 10,000 Homes as part of a 100,000 Public and Affordable Housing Scheme **This will in involve building** **4,000 1 bed units @ €145,000** **2,500 2 bed units @ €158,000** **2,500 3 bed units @ €177,000** **1,000 4 bed units @ €171,000** **(Full cost over two years €1,589)**	 **Cost in 2021 €794.5**
Increase Part V from the current 10% to a statutory minimum of 20% This would deliver approximately 500 extra units*.	**79**
Total Cost Millions	**4,235.5**

*This information is based on costings in System Change: An Alternative Budget for People and Planet, People Before Profit Pre-Budget Submission 2020 as we were unable to ascertain information on this from the Department of Finance based on parliamentary questions asked ahead of Budget 2021.

Education[17]

People Before Profit is motivated by a central ambition – to help each individual to reach their full potential in a society geared towards human flourishing. Education and care are essential to this project, as they equip people with the social, emotional and critical faculties necessary for productive and fulfilling lives. An educated society is reflexive, balanced and critically aware, allowing those living in it to meet the challenges of the 21st century.

The public health crisis can only serve to exacerbate existing perpetual inequalities in education, for example such as to access technology and the ratio of pupils to teachers in our classrooms, one of the highest in the EU.

Following reopening of the schools, new Covid-19 are on the rise. Schools have become another major source of infection, though the extent is as yet unclear as it appears the number of outbreaks in schools is being massively underreported. ASTI teachers have agreed to ballot for strike action, highlighting the need to resource our schools so as to protect teachers and children alike all the while enabling education to continue throughout the pandemic, facilitating social and educational engagement for our young people and fostering positive mental health.

Even prior to the pandemic, education at all levels of primary, secondary and third level including post graduate research investment was significantly less than the EU average. There is an even more urgent need to boost education provision, access and research now.

Significant funds could be found to do this by redirecting some of the public funding currently benefiting the private Research & Development funds of the private multi-national corporations. Covid-19 research is more important than ever for future pandemics, climate change and public health generally.

Many students and families faced significant educational challenges during lockdown as learning shifted online and not all families were equipped with the technology necessary. Further blended learning and periods of time out of schools and colleges is to be expected. We estimate there are 475,000 pupils attending schools or colleges in the bottom two thirds of income percentile families. Educational tablets cost in the region of €700 a piece and we are including a 25% discount given the amount of equipment to be purchased from any one provider.

Proposal	Cost millions €
Increase Funding for Special Education Provision by 15%	262.5
Reduce Pupil Teacher Ratio's across Primary and Secondary from 1:27-1:15	381.5
Reverse Cuts to Provision of Guidance Councillors and then double it	12
Restore capitation grant to primary and post primary schools to pre-2010 levels	20
Abolish Tuition Fees for Third Level Students – both capitation and tuition	242
Abolish fees for all EU postgraduate students	66
Provide digital technology for pupils at primary (5th and 6th), secondary and third level of middle and low income families	250
Reverse cuts to back to education allowance	8.5
Higher education R&D (Irish Research Council & Science Foundation of Ireland)	100
Increase Student Grants to their highest historical levels Including Student Universal Support Ireland, Grant Adjacency Rates and Post Graduate Student Grants	100
Total Cost Millions	1,442.5

Invest in Early Childhood Education/Childcare

If we want happy, healthy and developmentally successful children we need proper state led investment in pre-school children immediately.

The Early Childhood Ireland's Childcare Barometer shows that 65% of the Irish public think that childcare, like primary education should be free.[18]

To move towards achieve this, People Before Profit recommend the following.

Proposal	Cost Millions €
Extend the Early Childhood Scheme from 15 hours 38 weeks a year to 30 hours 48 weeks a year.	**450**
Ensure all Early Childcare Workers are paid a Living Wage of €12.30 an hour	**32**
Employ 10,000 Childcare Workers on the Living Wage of €12.30 per hour	**250**
Total Cost Millions	**732**

Public Transport[19]

Bus journeys account for 5.5% of all journeys in the state but 16.6% of all passenger kilometres, despite making up just 0.3% of all vehicle kilometres. This means buses are potentially 45 times more efficient than private vehicle transport when it comes to greenhouse gas emissions.

The Department of transport estimate that it costs €1656 per year to run a private car, this equates to 13% of the average household income. With major improvement in public transport, it is likely that people would move out of cars and towards public transport as a cheaper and equally dependable alternative.

This shift out of private vehicle transport towards public transport would bring other significant benefits too. The Environmental Protection Agency estimate that each year, 1,510 deaths are attributable to poor air quality, citing congestion on roads as a major contributor to air pollution. Reducing traffic congestion by investing in green and frequent public transport would improve air quality and people's health. Traffic congestion comes at a significant economic cost too, the Economic and Financial Evaluation Unit of the Department of Transport estimate that congestion costs in the Greater Dublin area were approximately €308 million in 2012, forecasting a cost of €2.08 billion per year by 2033.[20]

- People Before Profit would add 500 new electric buses to the fleet annually until 2030, this would cost an estimated €350 million annually, but when lower running costs are factored in, these buses are cheaper than their diesel rivals.
- People Before Profit would invest to make public transport free for all users – based on costings from the Department of Finance conducted before our last Alternative budget statement, this would cost €580 million.
- Rail is the most efficient means of transport in terms of Greenhouse Gas emissions. People Before Profit would invest in the completion of the Western Rail Corridor, and the electrification of the rail network at large. We estimate the cost of increasing capital expenditure on rail and completing a Western Corridoor from Letterkenny to Cork to be €264 million[21].
- We would incentivise the use of the rail network for freight transport and gradually introduce surcharges on road haulage to move towards the European average in terms of freight carried on rail.

We also advocate the development of cycling and walking infrastructure so as to promote safe and active travel. With current restrictions people are being asked to avoid using public transport unless absolutely necessary. We need to make active travel a viable option, especially in congested cities and in our rural towns and villages. Cycling and walking also present recreational options at a time when access to sporting clubs and facilities remains limited.

The Department of Transport also need to recognise the key role of the Taxi Industry in public transport network who have been particularly hard hit. However, we also need to recognise that the crisis provides an opportunity not only to safe guard the livelihood of those working in this sector but also we could use this opportunity to electrify the taxi fleet so that the Taxi Industry can play its part in reducing CO2 emissions by establishing a standardised electric and fully disability accessible fleet we would not only contribute to urgently needed climate action, we would also improve the quality of lives of the service users and the industry[22].

People Before Profit would do make the following capital investment in public transport and cycling infrastructure in 2020.[23]

Proposal	Cost Millions €
Triple Investment in Public Transport Capacity - including the purchase of 500 new electric buses and investment in rail services	**614**
Invest in our cycling & walking infrastructure (10% of the capital transport budget 2020)	**270**
Double the grants available to electrify the public service vehicles fleet	**440**
Make public transport free	**580**
Total Cost Millions	**1,904**

Local Government

Covid19 public health restrictions have drastically reduced incomes for all local authorities. This has led to many councils voting to increase the property tax to fill the hole.

The Local Property Tax is a regressive tax and it is grossly unfair on the state to expect individual home owners to foot the bill for Covid-19 via this tax. People Before Profit has long advocated for the abolition of this tax and introduce instead an "Additional Home Tax"

The Local Property Tax

Funding for Local Authorities comes from a variety of sources, including the Local Government Fund and the Local Property Tax. Our goal in 2020 is to increase the central exchequer funding by €500 million to begin to repair the damage done during a decade of austerity.

Specifically, we would charge:

- €600 for a second house.
- €1,000 for the third and fourth houses,

and,

- €1,500 for all houses in excess of four.

This would cost €70 million overall but would be a far more targeted intervention.[24]

Proposal	Revenue Millions €
Abolish the Local Property Tax (-470) million) **Introduce Additional Properties Tax (400)**	**-70**

Even with the Local Property Tax Local Authorities struggle to fund vital services such as housing maintenance, grants for elderly and disabled, road and path improvements and much more. We propose increasing central exchequer funding by €500 million.

Proposal	Cost millions €
Increase Central exchequer funding by €500 million	**500**
Total Cost Millions	**500**

Equal pay for Equal Work across the Public Sector

Proposal	Cost millions €
End Pay Apartheid	199
Repeal the FEMPI Legislation	1,115
Community Employment Supervisors Pension Scheme	3.6
Tax Relief for trade union Subscriptions	26
Total Cost Millions	1,314

1.6 Investment in Rural Ireland and Climate Action[25]

The recent Beef Plan Movement Protests show the dire circumstances for many people living in rural Ireland. Beef farmers do not want to spend weeks on picket lines, but the amount they receive is not enough to cover their costs in an industry dominated by a handful of major processors and super-market chains.

Beyond agriculture, rural Ireland has also been badly under resourced in terms of broadband, schools and a host of other vital services – often lost due to austerity. For example, over the last 12 months the government has proposed closing 159 rural post offices in a move that will further undermine rural living.

People Before Profit want to protect small farmers and rural Ireland. While many in rural Ireland and working in agriculture see climate action as a threat to their livelihoods, in fact it presents a huge opportunity to economically revitalise rural Ireland and provide improved and genuinely sustainable livelihoods. By diversifying agriculture and rural industry away from over-reliance on export orientated beef and dairy farming towards forestry, biodiversity enhancement and a more sustainable food production model we can safeguard the future of rural Ireland and contribute to radically reducing CO2 emissions.

With the threat of Brexit posing a particularly acute threat to Irish agriculture moving to a new more diverse and sustainable agricultural model is even more important.

Our goal is to make the agricultural system more sustainable by giving small and medium sized farmers the option to remain on their land over the longer term. Beyond this we want to invest in rural services to afford people living in rural areas the same opportunities as those in more urban settings.

Proposal	Millions €
Aforestation, Biodiversity and low carbon agri-environmental Programme	200
Agriculture Brexit Resillience Fund	250
Invest in rural broadband	505
Invest in a major national retrofit programme	1,500
Renewable energy investment programme	1,500
Total Expenditure	3,955

1.7 Funding an all-Ireland Covid strategy

For a zero covid strategy to be successful it critically depends on being an all-Ireland strategy. The island of Ireland is a single epidemiological unit. It makes no sense that at present we are pursuing different strategies north and south of the border. With infection rates rising even more rapidly in the north particularly in border areas where there is a constant flow back and forward between the two jurisdictions. With Boris Johnson unwilling to date, to provide sufficient funding for the north to tackle the virus effectively, we in the south should offer resources and funding to encourage and assist the northern authorities to pursue a zero-Covid strategy in cooperation with the south.

We propose to establish an All-Ireland Covid Action Fund. This would also be a tangible demonstration of the benefit of operating on whole island basis and assist in making the case for ending partition.

Proposal	Cost millions €
All-Ireland Covid Action Fund	**250**

SECTION TWO

REVENUE

Section Two – Revenue

1. Redistributing Wealth

An indication of the wealth that has amassed in Ireland since the financial crisis of 2008 and the potential revenues available from fairer redistribution of this wealth comes from the Central Bank's latest Quarterly Annual Report, which shows that Irish households now have €40 billion more than they had at the height of the Celtic Tiger.[26] Cleary there are resources than can, and should, be used to protect workers and those using public services.

While small businesses have been hit hard, throughout the crisis, big companies such as food distribution companies, online retail companies, tech companies and pharmaceutical companies have continued to generate huge profits. A report by Swiss bank UBS found that billionaires increased their wealth by more than a quarter (27.5 per cent) at the height of the crisis from April to July, just as millions of people around the world lost their jobs or were struggling to get by on government schemes[27].

To pay for the direct costs of Covid-19, we propose redistributing the wealth amassed in Ireland since the economic crash of 2008.

We also look to the corporations that have remained highly profitable throughout the crisis, particularly those in sectors that have benefited directly: those in the pharmaceutical and human health industries.

1.1 Pharmaceutical and Private Health Levy.[28]

The pharmaceutical industry in Ireland is deeply bound up with tax avoidance activities. Research by the Institute on Taxation and Economic Policy in the United States has shown that a number of major pharmaceutical companies have offshore activities in Ireland. Most of these are summarised in the table below[29]

Name of Corporation	No of Irish Tax Haven Subsidiaries
Pfizer	27
Johnson and Johnson	23
Merck	23
Abbott Laboratories	13
Thermo Fisher Scientific	8
Gilead Sciences	7
Boston Scientific	6
Abb Vie Inc	6
Eli Lilly	6

An already highly profitable sector, the pharmaceutical industry has continued to reap huge profits throughout the global health pandemic. This increased profitability is likely to increase well in to the future.

We propose a 10% levy on the profits of pharmaceutical companies operating in Ireland as well as on the profits of private health and care companies, for the duration of the pandemic. For 2021 alone, this levy, which does not even equate to the full application of the affective corporation tax rate of 12.5% will yield, according to the Department of Finance, €2 billion and will alone pay for the public cost of the pandemic in Ireland.

Proposal	Revenue Millions €
Introduce a 10% levy on the profits of Pharmaceutical Companies and Private Health Companies	**2,000**

1.2 Covid-19 Solidarity Corporation Tax[30]

In 2017, companies declared €175 billion in profits in Ireland but they used a series of exemptions to reduce this to a total taxable income of just €79 billion.[31]

Consider the table for some context.

Revenue Commission – Corporation Tax Revenue

Year	Total Profits Declared Before Deductions (Millions) €	Taxable Income After Deductions Millions) €	Total Corporation Taxes Paid (Millions) €	Effective Rate Of Corporation Tax
2018	**182,735**	**96,049**	**10,400**	**5.7%**
2017	**159,025**	**79,654**	**8,104.8**	**5%**
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%**

If the Irish state collected had 12.5% on the vast profits declared in this jurisdiction in 2017 it would have taken in €19, 878 billion in corporation tax receipts annually.

Our proposal is far more modest – we would double the corporation tax declared for the latest set of fully available figures by closing loopholes created for tax evasion and avoidance.

Proposal	Revenue Millions €
Double the Corporation Tax Take	10,400
Total	10,400

1.3 Covid-19 Solidarity Wealth Tax

Wealth in capitalist societies is always more unequally distributed than incomes. The richest 10% of Irish households receive 31% of all income for example, but they own 48% of all accumulated assets. The Central Statistics Office give a useful breakdown of the distribution of wealth assets, indicating the following:

Proportion of Population %	Proportion of Household Wealth %
Top 1	9
Top 5	33
Top 10	48
Top 20	66
Bottom 50	7
Bottom 25	0

Source: Central Statistics Office Income and Wealth Inequality.[32]

The top 1% of the population have more wealth than the bottom 50% combined, with the top 5% holding a third of all household wealth. If we consider that total household wealth has increased by €350 billion over the last seven years, the wealthiest 5% (85,000 households) have increased their wealth by in the region of €115 billion or €1.35 million each. This is a cumulative increase in wealth of 77% or an annual increase of roughly 11%.

Our proposal is to tax the accumulated wealth of the richest 5% of Irish households at a rate of 1.5% annually – exempting the first million of their assets for a family home and any financial obligations. This proposal was costed in October 2019 by the Department of Finance at a rate of 2%, who estimated that it would create revenue for the state of €3.85 billion annually.[33] This is defensible on the basis of the needs of the population during this pandemic and on the basis that much of this wealth is invested and generating a return far in excess of 1.5% annually.

Proposal	Revenue Millions €
Tax the richest 5% of households 1.5% of on their accumulated assets exempting €1 million for a family homes	**3,827**

1.4 New Tax Bands for Top 5% of Earners

(1) Introduce Graduated Tax Increases on High Earners

The increase in high incomes in the state has been astonishing. The top 10% of earners now receive 31% of all household income before taxes and transfers are applied. Right wing commentators will point out that roughly 50% of all income tax is currently paid by those who earn over €100,000, but there are five important points to remember in this context.

(1) The richest 10% have an average of €119, 780 **after tax -** roughly 4 times Ireland's median wage in 2017.[34]

(2) The best way to even up the tax burden is to even up before tax income in the first place.

(3) A family with take home pay of €120,000 has more than twice the buying power of a family taking home €60,000. If, for example, it costs €30,000 to meet the families' respective financial obligations, the first family has €90,000 left over versus €30,000 for the second family – a ratio of 3:1.

(4) The marginal benefit of income drops as the amount of income increases. Everyone needs to meet the same basic needs with their initial income whereas much of the income of rich people is saved and/or used for speculation.

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

For these reasons, it is important to place extra taxes on those earning the highest incomes in order to pay for the Covid-19 crisis. We propose the following tax increases to be levied on the marginal amounts above each figure.

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	**1,300**

1.5 Move to EU levels of PRSI

The Covid-19 wage subsidy scheme is an important means of keeping people in their jobs. It is also a direct state handout to businesses that were profitable before the Covid crisis and will go back to making profits afterwards. Viewed in this light, tax payers are keeping private businesses afloat and should expect to be repaid by businesses that return to profitability.

1. Despite the fact that Irish corporations are making record profits, only 34% of companies paid any corporation tax in the latest published figures (53,277 companies from 156,892). Of these, 49,392 paid less than €20,000, leaving the vast bulk of companies paying less corporation tax than many working families. One reason for this anomaly is a category called **Losses Brought Forward**. This is an allowance given to companies to allow them to write off current profit taxes against previous losses. In 2017, 62,000 companies claimed this form of losses depriving the state of **€6.28 billion**. Any losses from 2020 will provide businesses with a way to cover the cost of Covid-19 by reducing their tax bills into the future.
2. Irish employers pay less than 50% of the EU average social insurance contribution. This means they are receiving state handouts having put far less into the system than their European counterparts[35].

Our proposal is in three parts.

We would increase the 10.95% rate of employers PRSI by 2% and increase the rate for workers paid more than €90,000 to 19.75%. Collectively these measures are estimated to bring in €2,048 billion annually. In addition, we would insist that all money paid to businesses that return to profit are paid back to the state by denying losses brought forward for the amounts in question. By the same token, a significant number of businesses are in receipt of the Wage Subsidy Scheme and not in a position to make PRSI contributions or are making reduced contributions. The additional PRSI would not be charged on businesses not making a profit.

Proposal	Revenue Millions €
Move toward European Levels of Employers PRSI	**2,048**

1.6 Tax on Financial Transactions

A strong indication that Ireland is a tax haven is the fact that profits from Financial and Insurance Activities last year amounted to €24.8 billion, at a conservatives estimate approximately €700,000 per employee in the sector.[36] This makes Ireland an extreme outlier in terms of financial profitability and presents the possibility of taxing the most speculative of these transactions to reduce the damaging role of financial tax evasion.

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 €91.9 billion in 2019 but this only accounted for 8.8 million trades and derivate trades are roughly €6.18 billion daily or €1.5 trillion annually.[37]

Applying the relevant charges would yield €245 million.

Proposal	Millions €
Tax 0.1% on Shares and Securities and 0.01% on Derivatives	**245**

Note – this would be charged in addition to stamp duty on stocks and shares.

1.7 Levy on the Banking Sector[38]

The Irish taxation system allows corporations to use historic losses to write down current tax liabilities. Irish banks have traditionally had little use for this measure but Bank of Ireland racked up €1.3 billion in so-called deferred tax assets during the worst of the crisis years, whilst for AIB the figure is an incredible €3.36 billion.[39]

This means that two of the banks that were at the very centre of the Irish financial crisis are now free to make billions in profits annually without putting anything back into society.

What is even worse is that both these banks were significantly bailed out by taxpayers. This is completely unacceptable and should be outlawed.

Indeed, we should repeat this measure annually until all historic losses were accounted for and make these banks pay 12.5% on the profits they make.

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

1.8 Idle Site Value Tax and Vacant Property Taxes

Land hoarding is 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 estimated increased prices in the residential and commercial land markets for 2020, building on the 10% increases for 2019 – giving a strong incentive to sit on land and allow it to appreciate.[40] Daft.ie now report increases in residential properties across the country despite the continuing uncertainty posed by the pandemic[41].

People Before Profit would use Budget 2021 to strongly discourage any continued land hoarding activity.

Specifically, we would set a tax of €5,000 per hectare (or part therefore) per annum on idle zoned building 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.[42]

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.[43]

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

1.9 Cut Pension Relief for High Earners.[44]

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.[45] 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%.

Proposal	Revenue Millions €
Reduce Pensions Earning Limit from €115,000 to €60,000	**184**

1.10 Increase Capital Gains Tax from 33%-40%.[46]

Vulture Funds and Real Estate Investment Trusts have made a killing in the Irish property sector. Entering when prices were rock bottom, they are now in a position to make major profits off the misery of Irish working people. To claw some of this money back, People Before Profit advocates 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 33-38%	**162**

2. Anti-Pollution Initiatives

Any idea that Fine Gael take climate initiatives seriously have been undermined by the Central Statistics Office, which have shown that from 2012-2016, the state gave annual subsidies of €2.5 billion in fossil fuel supports and €1.5 billion in agricultural supports to industries and initiatives that incentivise behaviour that damages the environment.[47]

One of the worst subsidies is €100 million given to peat powered electricity generation which is the worst fuel for the environment and deeply uneconomical as a generation method. People Before Profit is extremely concerned about the climate crisis, particularly in light of warnings from the International Panel on Climate Change (IPCCC) that we must reduce emissions by 50% in the next decade or face a tipping point that could bring about mass destruction.

The initiatives below are not exhaustive, but they are designed to begin to internalise the costs of pollution to the corporate sector and provide resources to support workers, small and medium farmers to make the transition to a more environmentally sustainable economy.

2.1. Pollution Tax on Major Agricultural Corporations

The Irish agriculture system will have to change dramatically over the next decade to reduce emissions and increase equality and sustainability. The Teagasc Annual Farm Survey shows that just 34% of 135,000 Irish farms are currently considered viable – mostly concentrated in the dairy industry.

This is one of the major factors behind the emergence of the Beef Plan Movement – a grassroots campaign to secure a living wage for small and medium sized beef farmers across the country.

The second major problem in the sector is emissions. On average, agriculture accounts for 10% of emissions in the European Union but this rises to 33% in Ireland thanks to the intensity of production and the priority given to dairy and beef.

The climate crisis is extremely serious and needs a major shift in agricultural practices immediately. To protect small and medium farmers at the same time as we reduce emissions, People Before Profit would introduce a new pollution tax on the profits of the biggest and most profitable Agricultural Corporations.

The Department of Agriculture Food and the Marine have estimated that a major afforestation campaign would cost the state €567 million per annum - or a fifth of the €2.84 billion in agricultural profits declared to the CSO in 2018. [48]

We also know that Larry Goodman recently used companies in Luxembourg to avoid taxes on €170 million profits and that this process is widespread in other sectors too.[49]

To increase equality and reduce emissions People Before Profit would levy a pollution tax of €500 million of agricultural corporations, ring-fenced to support small and medium sized farmers who give part of their land over to farming methods that sequester Co2.

To levy this successfully, we would also nationalise the major agricultural companies that have made farming unsustainable for tens of thousands of families and increased emissions regardless of the consequences.

Proposal	Millions €
Pollution Tax on the Profits of Agri-Food Corporations	**500**

2.2 End the Subsidy for Peat Fuelled Electricity

In 2016, Ireland's Co2 emissions from energy supply were 32% higher than the European average, thanks to the greater levels of coal and peat in the energy system.[50] On average, coal and peat emit 40% more GHG than oil and 96% more than natural gas, making them particularly damaging fuels to use in the generation of electricity.

Despite this, the Irish government gives €100 million annually to peat production. People Before Profit would end this subsidy immediately as part of a wider process to move towards renewable energy. To make sure there is a Just Transition we would make sure workers in any affected plants are retained on full pay and retrained to work on the bog in ways the help to capture Co2.

To fund this, we would set aside €50 million of the original subsidy.

Proposal	Millions €
End State Subsidy for Peat Production	**50**

2.3 NAMA Cash Reserves

As of the end of 2019 NAMA had cash reserves of €3.1 billion euro. This cash should be invested in affordable housing and other key infrastructure projects

Proposal	Millions €
NAMA Cash reserves	**3100**

Summary Expenditure and Revenue

Expenditure Totals

Proposal	Cost Millions €
Covid Testing	828
Covid-19 R&D Fund	100
Community Public Health investment	35
Health capacity	2,533.1
Treble funding to HSA	24
Pandemic Unemployment Payment	1,400
Wage Subsidy Scheme	2,112
Grants to SMEs	350
Social Protection	3,918
Carers Bonus	116
Mental Health	367
Youth Sector	4.57
Disability	120
Arts	150
Community Sector	7
Elderly	34.4
Housing	4,235.5
Education	1,442.5
Childcare	732
Public Transport & Infrastructure	1,904
Increase Local Authority funding	570
Investing in Climate Action and Rural Ireland	3,955
All-Ireland Strategy	250
Equal Pay for Equal Work	1,314
Additional Current Expenditure Total	26,502.2

Revenue Totals

Proposal	Revenue Millions €
Pharmaceutical & Private Health Industry Levy	2,000
Covid Corporation Solidarity Tax	10,400
Covid Solidarity Wealth Tax	3827
New Tax Bands for Top 5% of earners	1,300
Bring PRSI in line with EU levels	2,048
Financial Transactions Tax	245
Levy on Banks	925
Idles sites and properties	187.5
Pension Relief	184
CGT	162
Agricultural Pollution Tax	500
Ending Peat Subsidy	50
NAMA cash reserves	3,100
Funds from Borrowing	2000
Revenue	26,766.5

Conclusion

The Covid 19 crisis has shone a light on who is important in Irish society and posed new questions about how we organise the economy. The shameful legacy of austerity meant that we entered this crisis with less than half the Intensive Care Bed Units of many of our counterparts and the longest waiting lists in Western Europe.[51] Thus far, the population has rallied to make sure doctors and nurses have not been overwhelmed, but there can be no return to the two-tier health care system, the legacy of underinvestment and the endless waiting lists that existed prior to this crisis. Neither can there be a return to the austerity that devastated lives, ripped communities apart and led to the deprivation of more than a million people even before Covid 19 hit.

Perhaps more than any other lesson, the current crisis has taught us that austerity has always been a political choice – and one that will be resisted fiercely if the new government tries to impose it in the coming period. Since the end of March, Fine Gael have used the rhetoric of social solidarity and caring for the vulnerable. But they have simultaneously allowed hundreds of elderly people to die in care homes, gifted money to profitable businesses and are set to force hundreds of thousands of people back to work in unsafe conditions. People Before Profit are proud to be part of the resistance to these barbaric policies. We stand with frontline workers and the wider population in demanding policies that actually support people through this period of crisis. In the short term, this means creating a €15 minimum wage so that frontline workers in warehouses and supermarkets can afford to buy the basic necessities; increasing welfare payments to the €350 per week and maintaining them for the duration of the crisis; using the wealth that has been accumulated since the last recession to pay for this one, and organising in workplaces and trade unions to maintain the lockdown until it is safe to return to work. Yet it must also mean challenging the logic of self-interest and private profit that have created such devastation to our societies and our planet. The immediate task is to defend the lives and livelihoods of people for as long as is necessary. The ultimate task is to move away from the failed policies of capitalism to a more democratic society that puts people before profit.

[1]https://data.oireachtas.ie/ie/oireachtas/committee/dail/33/special_committee_on_covid_19_response/reports/2020/2020-08-05_interim-report-on-testing-and-tracing_en.pdf

[2] The costing information for this proposal comes from the Parliamentary Question 27805/20.

3 Raise this money by capping the R&D Tax Credit (mostly availed of by a handful of multi national corporations in IT and Pharmaceuticals) at €300m. Based on the an average of the available figures for 2016, 2017, 2018 this would raise €200m.

4 Figures based on continuing the funding for Community Health funding in the HSE Winter Plan 2020.

[5] The costing information for the proposals in this section come from Parliamentary Questions 24793/20, 24794/20 & 24761/20.

[6] Calculated on the basis of the information provided in the Parliamentary Question 27803/20.

[7] The costing information for this section comes from Department of Finance, SPU 2020 MacroEconomic Outlook and Projections, April 2020 and the Parliamentary Question 27810/20.

[8] The costing information for this proposal comes from the Parliamentary Question 28192/20.

9 The costing information in this section comes from the Parliamentary Question 25849/20.

10 The costing information in this section comes from https://www.mentalhealthreform.ie/news/mental-health-faces-critical-budget-as-demand-significantly-increases/.

11 The costing information for these proposals comes from https://www.youth.ie/articles/budget-2021-call-for-investment-in-supporting-young-people-through-the-pandemic/ and from the Parliamentary Question

12 The costings information in this section comes from https://www.disability-federation.ie/assets/files/pdf/dfi_deasp_pre_budget_submission_for_2021_-_final_06082020pdf_wd.pdf

13 The costings information for this section comes from https://www.wheel.ie/policy-and-research/campaigns/budget2021 and the Parliamentary Question 24758/20.

14 The costings information for this proposal comes from the Parliamentary Question 24758/20 and see also https://alone.ie/category/press-release.

[15] One reason for this is that Ireland is a tax haven that keeps taxes off the elites. This has been well documented by a whole series of respected independent observers and shows up in the distortion of the Irish national accounts. See R. Murphy. *Dirty Secrets. How Tax Havens Destroy the Economy*. London. Verso. 2017; R. Palen, R Murphy and C. Chavagneux. *Tax Havens: How Globalization Really Works*. Ithaca. Cornell University Press. 2010; Zucman et al. The Missing Profits of Nations. NBER Working Paper Series @ https://gabriel-zucman.eu/files/TWZ2018.pdf. 2018 and Garcia-Bernardo et al. Uncovering Offshore Financial Centres: Conduits and Sinks in the Global Corporate Ownership Network. Nature Vol 7. Article no 6246 @ https://www.nature.com/articles/s41598-017-06322-9. 2017. For more details.

16 The costing information for the proposals in this section come from https://www.daft.ie/report/2020-july-housingmarket-daftreport.pdf and from the Parliamentary Questions 25701/20; 25721/20; 25774/20; 25715/20; 25716/20.

17 The costing information for the proposals in this section comes from the Parliamentary Questions 27811/20, 25850/20, 24808/20 & 24807/20 and also System Change, An Alternative Budget for People and Planet 2020 as we were not able to get answers to a number of our Parliamentary Questions. See also https://statbank.cso.ie/px/pxeirestat/Statire/SelectVarVal/saveselections.asp and https://www.education.ie/en/Publications/Statistics/Data-on-Individual-Schools/enrolments/statistical-bulletin-enrolments-september-2019-preliminary-results.pdf

18 See https://www.earlychildhoodireland.ie/early-childhood-ireland-launches-first-annual-childcare-barometer/ for more details.

19 The costings information is from http://www.budget.gov.ie/Budgets/2020/Documents/Budget/Parts%20I-III%20Expenditure%20Report%202020%20(B).pdf page 152 and from the Parliamentary Question

20 See https://assets.gov.ie/10622/fbfed806d0814e29aa40c970a939250f.pdf for more details on trends in Irish transportation and ://www.dttas.ie/sites/default/files/publications/corporate/english/cost-congestion-main-report/cost-congestion-main-report.pdf for more details..

21 For Western Rail Corridor Proposal see: https://www.wdc.ie/wp-content/uploads/reports_rail_ review.pdf for more details.

22 https://blogs.ei.columbia.edu/2016/05/31/going-electric-adds-up-to-a-good-34

23According 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.

24 The information for this adjustment comes from a combination of Parliamentary Questions 33533/19 and 34567/19.

25 The information for these adjustments comes from the Rural Development and Regional Affairs budget @ http://www.budget.gov.ie/Budgets/2018/Documents/Expenditure%20Report%202018%20(Parts%20I-III).pdf

26 This information comes from the Parliamentary Question 25569/20.

27 https://www.irishtimes.com/news/world/billionaires-wealth-reach-record-levels-during-covid-pandemic-1.4374291

28 The information for this adjustment comes from a response to the Parliamentary Question 33532/19.

29 For more information see https://itep.org/offshoreshellgames2017/

30Information 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.

31 See this table for more details @ https://www.revenue.ie/en/corporate/documents/statistics/income-distributors/corporation-tax-calculation.pdf

32See https://www.cso.ie/en/releasesandpublications/ep/p-hfcs/householdfinanceandconsumptionsurvey2018/incomeandwealthinequality/ for more details.

33 The information for this adjustment comes from a response to the Parliamentary Questions 33524/19.

34 See https://www.thejournal.ie/readme/opinion-64-of-workers-in-ireland-earn-less-than-the-average-salary-4562071-Apr2019/ for an estimate of median wages in 2017.