



REBUILDING

STRONGER, FAIRER, BETTER

ATÓGÁIL - LÁIDIR, COTHROM, CÓIR

Buiséad Malartach Shinn Féin 2021
Sinn Féin Alternative Budget 2021



ATÓGÁIL

LÁIDIR, COTHROM, CÓIR



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EXECUTIVE SUMMARY

REBUILDING STRONGER, FAIRER, BETTER

The Ireland that emerges after this crisis will be decided by the choices made today.

We can continue to paper over the cracks and allow vested interests to run things as Fianna Fáil/Fine Gael have done for decades or we can get things right once and for all.

One thing is certain we cannot go back to doing things the way they were done before.

This budget has to show ambition and vision. It has to start the work of rebuilding our country to ensure we emerge from this crisis stronger, fairer and better.

If Sinn Féin were in government, we would introduce a budget which would:

► Support workers and families to help them get through this crisis

- » Reverse the cut to the Pandemic Unemployment Payment and introduce Sinn Féin's Wage Support Scheme throughout the 1st Quarter, reviewing at that stage to ensure necessary supports are in place beyond April and for the remainder of the year - **Cost additional €1.5 billion**
- » immediately increase the pay of childcare workers to the living wage of €12.30 and cut the cost of childcare by one third in 2021 – **Cost €70 million in 2021 (€150.5 million first full year)**
- » reduce the cost of rent by up to €1500 (one month) and ban increases for three years - **Cost €257million.**
- » End the rip off in Insurance – immediately ban dual pricing

► Support businesses, particularly those sectors most badly effected and create jobs

- » Roll-out enhanced Capital investment programmes across a range of areas including, for example, housing, hospitals and schools creating more than 26,500 jobs while meeting need for affordable accommodation, future health service capacity and smaller class sizes – **Cost additional €2.49 billion**
- » Reduce VAT for the Tourism and Hospitality sector from 13.5% to 9% - **Cost €320 million**
- » Replace the Stay and Spend scheme with a tourism and hospitality voucher to every adult and child worth €200 and €100 respectively - **Cost €522 million**
- » Extend the commercial rates waiver until June - **Cost €520 million**

► Deliver affordable housing on a scale not seen before

- » Deliver 12,000 real social homes, 4,000 affordable rental homes and 4,000 affordable purchase homes - **Cost additional €1.5 billion**

🔗 **Deliver a proper winter plan for our health services and provide funding to deal with dangerously expanding waiting lists, disability services, cancer care and mental health.**

- » Deliver 1,100 additional hospital beds and 100 additional ICU beds - **Cost €449.7 million Current and €425 million Capital**
- » Recruit additional 2,500 doctors, nurses, consultants, and allied health professionals to safely staff hospitals and give workers a break - **Cost €150 million**
- » Additional investment in mental health including free counselling on GP referral - **Cost €48.7 million Current and €6 million Capital**
- » Increase funding for disability services to meet costs of Covid-19 including day services, respite, personal assistance hours - **Cost €150 million Current and €20 million Capital**

And alongside all of this we need to learn the lessons from Covid 19 and Brexit and be better prepared for what comes next. It makes common sense to be working together on the island. It makes common sense to start planning for Irish unity.

FINANCING OUR VISION

As part of its budgetary strategy, the Government has indicated that it will increase expenditure by €12 billion, comprising €1.1 billion in pre-committed expenditure, €1 billion in capital expenditure, €9 billion in COVID-related expenditure and €900 million to meet day to day pressures in existing services.

Sinn Féin's alternative budget would provide an additional €5.3 billion in current expenditure and €2.5 billion in capital expenditure.

This increase in current spending would be partially funded by progressive tax measures worth €1.5 billion, bringing net additional current expenditure to €3.8 billion.

This additional current expenditure is mostly comprised of one-off measures worth a combined €3.5 billion; designed to save lives, protect incomes, support workers and businesses, and provide a fiscal stimulus that will create jobs and reboot our economy.

BUDGET OVERVIEW

Measures	Government (€m)	Additional (€m)	Total (€m)
COVID-19 Response	9,000	+3,492	12,492
Capital Investment	1,000	+2,493	3,493
Pre-committed	1,100	0	1,100
Discretionary	900	+1,788	2,688
Tax Raised	0	-1,490	-1,490
Total	12,000	+6,283	18,283

INTRODUCTION

The Ireland that emerges after this crisis will be decided by the choices made today.

Sinn Féin's budget priorities focus on how we rebuild our economy and our public services after this crisis while supporting families, workers and small businesses to get through this difficult period. Our priorities will be building of homes, fixing of the health service and delivering a fair economic recovery.

The pandemic has exposed the failings in housing, in healthcare, in childcare, and in education. It has exposed the lack of fairness that exists in our economy.

Decades of under-investment, bad policy and the wrong priorities increased the threat posed by Covid-19 and our ability to respond to it. We cannot stumble from one housing crisis to another. We cannot go on with lengthening hospital waiting lists. We cannot have families and workers struggling with a rising cost of living.

We can continue to paper over the cracks and allow vested interests to run things as Fianna Fáil/Fine Gael have done for decades or we can get things right once and for all. One thing is certain we cannot go back to doing things the way they were done before.

It is the responsibility of government to look after people in a time crisis, and to plan for the future. That means ensuring that there are adequate income supports for those forced out of work as a result of Covid-19 restrictions. It means ensuring the health system is properly resourced and staffed to deal with the challenges of Covid-19 while continuing to provide all other healthcare services. It means supporting businesses so they can survive unprecedented challenges. It means ensuring our young people experiencing the highest rates of unemployment can see a future for themselves in Ireland.

Now is the moment to plan for a fresh start – for our economy and public services, for those who need housing, for Ireland. We must fix housing. We must fix healthcare. We must fix education. We must fix our economy.

And alongside all of this we need to learn the lessons from Covid 19 and Brexit and be better prepared for what comes next. It makes common sense to be working together on the island. It makes common sense to start planning for Irish unity.

This budget has to show ambition and vision. It has to start the work of rebuilding our country to ensure we emerge from this crisis stronger, fairer and better.

CONTEXT

As we prepare to Budget for 2021 there is huge uncertainty. A disorderly Brexit is a real possibility. The timing of a vaccine, the path of the virus and the level of public health restrictions that will be required are all unknowns.

Government needs to be pro-active, flexible and willing to invest if, when and where investment is needed.

Regardless of the uncertainties there are areas which, without question, require urgent and significant investment.

As part of its budgetary strategy, the Government announced that it would allocate €1.1 billion in pre-committed expenditure for such areas as demographics and the Public Service Stability Agreement. They announced that they would increase capital expenditure by €1 billion. This was already committed before the outbreak of COVID-19 and its impact on our economy.

Furthermore, the Government have indicated they will allocate €9 billion for COVID-related expenditure next year, with a further €900 million to meet day to day pressures on existing services. €4 billion of this expenditure will be spread across measures that are already in train in our health service, our schools, our transport system and as part of the July Stimulus.

The remainder is earmarked for income supports in 2021, including the Pandemic Unemployment Payment at reduced rates and Employment Wage Subsidy Scheme in the first quarter of the year, with a contingency fund for reduced support thereafter.

This will not meet the needs of 2021.

We need a better response to Covid-19. It is impossible to be prescriptive so we must prepare to be flexible.

Our economic response needs to match the pandemic and the restrictions that flow from it.

RÉAMHRÁ

Cibé roghanna a dhéanann muid anois, dearfaidh siad an tír a thioctas as an ghéarchéim

Díríonn priarrachtaí cáinainéise Shinn Féin ar an dóigh a dhéanann muid athshamhlú ar an gheilleagar agus ár seirbhísí poiblí i ndiaidh na paindéime seo fhad is a thacaíonn le teaghlaigh, oibrithe agus gnólachtaí beaga leo a thabhairt slán tríd an tréimhse dheacair seo. Is iad na tosaíochtaí atá againn; tógáil tithé, an córas sláinte a chóiriú agus téarnamh geilleagrach féaráilte a sheachadadh.

Tá na laigí sa tithíocht, cúram sláinte, cúram leanaí agus oideachas léirithe ag an phaindéim seo. Tá léirithe nach bhfuil ár ngeilleagar féaráilte.

De dheasca na mblianta de bheagmhaoiniú, drochpholasaí agus priarrachtaí contráilte, tá baol COVID-19 neartaíthe agus ár gcumas aghaidh a thabhairt air laghdaithe. Ní thig linn dul ó ghéarchéim tithíochta go géarchéim eile. Ní thig linn leanstan le liosta fada don otharlann. Ní féidir linn ligint do theaghlaigh agus d'oibrithe bheith thíos le costas maireachtála ag méadú i rith an ama.

Thig na deacrachtaí a cheilt agus ligint leasa bunaithe rudaí a threorú mar a lig Fianna Fáil / Fine Gael le scórtha blianta nó thig rudaí a chur i gceart. Tá rud amháin cinnte, ní thig dul ar ais chuig an bhealach a ndearnadh rudaí san am atá thart.

Tá sé de dhualgas ar an rialtas aire a thabhairt do dhaoine in am an ghátair. Tá sé de dhualgas orthu fosta plean a leagan amach don todhchaí. Is ionann seo agus liúntais thacaíochta ioncaim cearta a bheith ann don duine a cuireadh óna phost de dheasca na srianta COVID-19.

Is ionann seo agus córas sláinte a bhfuil na hacmhainní cearta curtha ar fáil le haghaidh a thabhairt ar na dúshláin a thugann COVID-19 linn fhad is go bhfuil na seirbhísí eile a gcur ar fáil. Ciallaíonn sé go dtacaíonn le gnólachtaí le go mairfidh siad sa tréimhse neamhghnách seo. Cinntíonn sé go mbeidh todhchaí in Éirinn don aos óg cé go bhfuil an ráta dífhostaíochta ard.

Seo an uair plean a leagan amach le tús úr a dhéanamh – don gheilleagar agus dár seirbhísí poiblí, don té a bhfuil teach a dhíth air, d'Éirinn. Socraímis cúrsaí tithíochta. Socraímis ár gcóras sláinte. Socraímis ár gcóras oideachais. Réitímis cúrsaí geilleagrach. Caithfidh muid plean a leagan amach le hathaontú na tíre a thabhairt i gcrích.

Taobh leis seo uilig, caithfidh muid ceachtanna ó Covid-19 agus Brexit a fhoghlaim le go mbeidh muid ullmhaithe don chéad rud eile. Is é is ciallmhaire go n-oibríonn muid as lámh a chéile ar an oileán seo. Is é is ciallmhaire go dtosaíonn muid plean a leagan amach le hathaontú na hÉireann a thabhairt i gcrích.

Chaithfí fíis agus uaillmhian bheith leis an cháinainéis seo. Chaithfí tús a bheith ann athshamhlú a dhéanamh ar an tír mar a thioctas muid amach ón ghéarchéim seo is láidre, is cothroime agus is mó feabhais.



HEALTHCARE

In order to re-start non-Covid healthcare and begin to tackle dangerously expanding waiting lists government must invest to protect and increase the capacity of our health system.

Fianna Fáil and Fine Gael's successive decisions to underfund public healthcare left us with a hospital system that was overcrowded and incapable of delivering timely care to those who need it.

The pandemic has exposed and exacerbated their failures. More than 730,000 people on waiting lists with thousands more having delayed seeking care. And Cancer Screening down 60% on the same period for 2019, first six months.

This year has seen an increase on health spending of approximately 3 Billion euros. And there will be significant health funding contained in the €9 billion of Covid-related expenditure which the government are committing for 2021. However, we need to invest more if we are to re-start many sections of our health services while continuing to tackle the ongoing threat caused by Covid-19. Greater investment is needed to improve health outcomes.

The lack of capacity in our health system before the pandemic and the failure to bring greater capacity on stream since March of this year is the reason that the public health restrictions recommended by NPHET are so much more stringent than those of comparable European countries. We get placed under tighter lockdowns because Simon Harris, Leo Varadkar, Stephen Donnelly and Mícheál Martin all failed to invest. The government intend spending €700 million on the testing and tracing system next year. This is not enough. We must expand industrial laboratory capacity in the public system. This is vital because our ability to suppress the virus hinges on effective testing and tracing.

Sinn Féin are committed to delivering and investing beyond the Winter Plan. Promises made by that plan in relation to care in the community and at home are welcome but it falls far short in the fields of acute hospital care, staffing, cancer care, mental health and disability services.

The government are only willing to commit to temporary spending or sticking plasters whereas we in Sinn Féin are determined to deliver permanent, transformative investment.

Sinn Féin priorities include:

- Deliver 1,100 additional hospital beds and 100 additional ICU beds - **cost €449.7 million Current and €425 million Capital**
- Recruit additional 2,500 doctors, nurses, consultants, and allied health professionals to safely staff hospitals and give workers a break - **€150 million**
- Recruit additional staff for swabbing, testing and tracing and begin to resolve pay disparity issues - **additional €150 million (€700 million pre-committed)**
- Kickstart cancer care including screening and treatment - **additional €39.7 million Current (€2.35 million pre-committed) and €10 million Capital**
- Additional investment in mental health including free counselling on GP referral - **€48.7 million Current and €6 million Capital**
- More than double Home help hours next year and provide funding beyond the government's Winter Plan to ensure extra hours are available in the final quarter of the year - **additional €34.5 million (€138 million pre-committed)**



HOUSING

A Sinn Féin government would commence the largest public house building programme in the history of the state.

The housing crisis pre-dates the pandemic. It results from the failed market-based housing policies of Fine Gael which the new government including Fianna Fáil and the Green Party are determined to continue. The pandemic has exacerbated the situation as hundreds of thousands of workers' incomes took a hit making rents and first time buying even more unaffordable and overcrowding now puts lives at risk.

The existing Government plan only provides for the delivery of 9,707 real social homes.

Government should deliver 20,000 homes in 2021, cut and freeze rents.

Sinn Féin priorities include:

- Introduce a refundable tax credit putting one month's rent back into renters' pockets - **€250 million**
- Deliver 12,000 real social homes, 4,000 affordable rental homes and 4,000 affordable purchase homes - **additional €1.5 billion.**
- Reintroducing the Covid-19 emergency ban on evictions, notices to quit and rent increases
- Introduce a 3% Stamp Duty Surcharge on Residential Property for Non-resident Investment Funds that purchase private homes, pushing up rents and property prices to unsustainable levels



JOBS

At least 150,000 jobs have been lost and youth unemployment runs at 17.5% and almost 37.8% if those on PUP are included.

Government must both protect and create jobs. It can do this through capital investment and better supports for SMEs targeting especially those worst impacted by the pandemic. The July stimulus and other supports announced by Fianna Fáil and Fine Gael have been completely inadequate. They placed the burden on SMEs to take on even more debt which they simply cannot shoulder. They also prematurely scaled back the wage subsidy scheme which is critical to protecting jobs. We outline our proposals for an extended, enhanced and better targeted Wage Subsidy Scheme in the next section of this document 'Incomes and Debt'.

The government has proposed €9.1 billion spending for Capital next year. This is the amount that was projected for funding as far back as Budget 2020.

Capital investment was already projected to be €9.1 billion in 2021, so despite the onset of the crisis, no additional capital expenditure has been planned for. This casts serious doubt on whether the government has truly grasped the severity of the economic impact, the public health emergency or the key role that capital investment plays in creating jobs, stimulating economic growth, and delivering affordable homes and increased capacity for our ailing public services. What is required is greater capital investment with a focus on shovel ready projects that will put people back to work. This will not only create targeted direct employment, but also ancillary indirect employment, from the positive spill over effects created by this capital investment.

Greater investment is needed in housing, health, education, disability services, our public transport system, roads, cycling and walking infrastructure, Garda stations and Courts.

Sinn Féin priorities include:

- Roll-out enhanced Capital investment programmes across a range of areas including, for example, housing, hospitals and schools creating more than 26,500 jobs while meeting need for affordable accommodation, future health service capacity and smaller class sizes - **additional €2.49 billion**
- Inject an additional €200 million into the Rural Regeneration and Development Fund so that local authorities can begin to reverse regional imbalance and neglect by accessing capital to improve their infrastructure and create jobs.
- Investing in connectivity and growth across the island of Ireland including the North-West Inclusive Growth Deal and Ulster Canal which builds upon the already pre-committed expenditure for the A5 - **€65 million**
- Extend grants to SMEs bringing them up to €25,000 for seriously effected sector and €12,000 for those moderately effected - **€750 million**
- Reduce VAT for the Tourism and Hospitality sector from 13.5% to 9% - **€320 million**
- Replace the Stay and Spend scheme with a tourism and hospitality voucher to every adult and child worth €200 and €100 respectively - **€522 million**
- Extend the commercial rates waiver until June - **€520 million**
- Radical overhaul and expansion of current apprenticeship schemes including abolishing fees and very significantly increasing the current apprenticeship population of 18,000. With a focus on expanding into new fields such as green energy, hospitality, financial services, retail, ICT, as well as trade apprenticeships to aid the roll out of massive home building and retrofitting programmes - **€74 million**

INCOMES AND DEBT

Sinn Féin believe that no workers income should fall off a cliff when they lose their job whether because of a pandemic or otherwise. Hardworking people can lose their job for a variety of reasons e.g. a closure or restructuring of a business, expiration of a work contract, illness of their own or a requirement to care full time for a family member.

The public debate earlier this year that preceded the government's reluctant decision to provide €350 for pandemic universal payments exposed the inadequacy of the €203 standard weekly rate. This coupled with the rapid changes made to reform illness benefits rules exposed an income protection system not fit for purpose.

In stark contrast to other European countries, successive Fianna Fáil and Fine Gael governments failed to insure workers and the State against these risks.

A better income protection system is needed. Supports should be based on protecting a percentage of a persons' income so that nobody faces a financial cliff if they lose their job. And people should be facilitated to take up available work without losing all their payment.

In an illogical and unfair move the government cut the Pandemic Unemployment Payment prematurely. They cut the payment in September when more than 200,000 people were still dependent on it, when sectors of the economy had yet to open and when parts of the country were under increased restrictions severely limiting the work available.

That cut must be restored and the government's further scheduled reductions early next year called off. The PUP should be paid at the two rates of €203 and €350.

Budget 2021 must provide for robust pandemic unemployment supports to be in place beyond April and for as long as they are needed. Such supports will likely be needed across the full year. Financial provision must be made and our workforce given assurance that they will be protected throughout 2021 whatever the path of the virus and its associated public health restrictions.

Just as with PUP, wage supports for employers were also scaled down by government prematurely.

We must reintroduce a Wage Support Scheme that is fit for purpose, targeted and supports all workers. This Scheme should be available for all businesses that have suffered a reduction of 30 percent or more in their turnover, with enhanced support for the most impacted sectors.

For those most severely impacted sectors, the Scheme should guarantee between 85 and 70 percent of take-home pay for workers, up to a maximum of €410 per week. For sectors less impacted by COVID-19, it should guarantee between 85 and 50 percent of take-home pay for workers, up to a maximum of €300 per week.

For all qualifying employers, the Scheme should guarantee 85 percent of take-home pay for workers on or below the minimum wage.

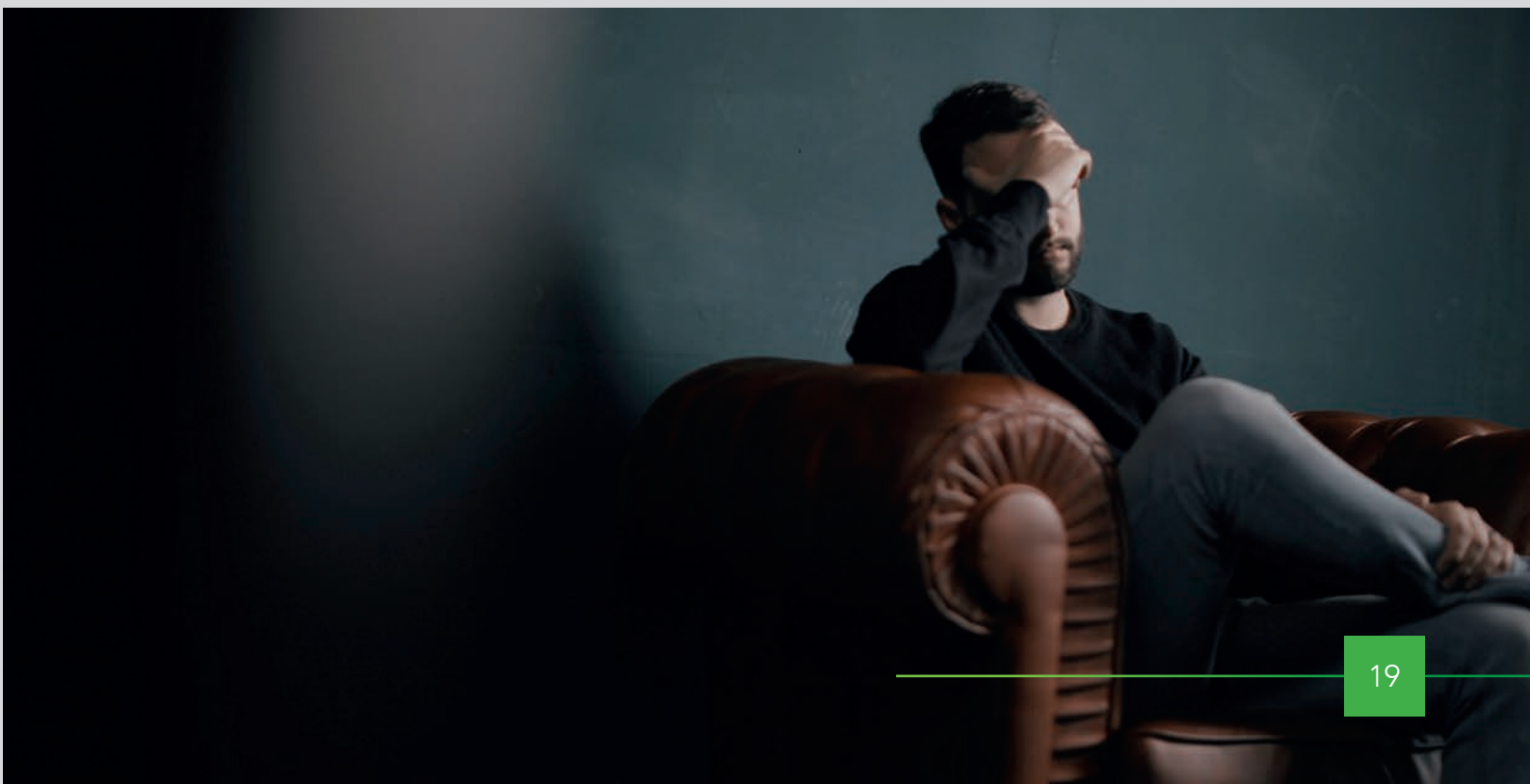
This Scheme is needed to protect the incomes and jobs of low-income and part-time workers, while offering up to twice as much wage support to affected sectors than the Government's Wage Subsidy Scheme.

Pandemic wage subsidies and unemployment payments will undoubtedly need to be extended beyond the first quarter. And the performance of different sectors of the economy, regions of the country, scale and nature of public health restrictions, timing of a vaccine, financial needs of households should be kept under review throughout the year to ensure that supports deliver the protection workers need.

As part of the circa €9bn Covid-related funding that the government have set aside for 2021 we understand that €5 billion is for income supports. A portion of that is already committed for the First Quarter for PUP and the EWSS. The remainder has been earmarked to support employers and workers for the rest of the year. In our view this is not sufficient. Instead of a €5 billion fund we advocate a fund of €6.5 billion. This will allow us to continue and enhance supports to employers and those who lose their jobs on foot of the pandemic. Actual expenditure will depend on the path of the virus and public health restrictions required during the course of next year.

Sinn Féin priorities include:

- Reverse the cut to the PUP and introduce Sinn Féin's Wage Support Scheme throughout the 1st Quarter, reviewing at that stage to determine the supports required for the remainder of the year - **additional €1.5 billion**
- Increase working age social welfare payments, including farm assist, by €5 per week - **€222.5 million**
- Increase the Qualified Child Increase for over 12s and under 12s by €5 and €2.50 respectively - **€68.7 million**
- Deliver right to retire for 65 year olds by re-introducing State Pension (Transition) and call off the scheduled increase of state pension age to 67 - **€307 million**
- Increase payments for pensioners by €3 per week and €5 for those living alone - **€125.5 million**
- Extend the fuel allowance season by an additional two weeks - **€18.4 million**
- Resource MABS to respond to the oncoming tsunami of Covid-related debt - **€1 million**



CHILDCARE

Workers in childcare are some of highest qualified professionals but are paid some of the lowest wages of any sector, with many existing on minimum wage. The state should take on the wage bill of childcare workers.

This summer Fianna Fáil and Fine Gael turned their face away from providing childcare as a public service opting instead to revert to the current unaffordable model which fails workers, parents and providers alike.

Workers deserve well-paid, secure careers. Sustainability funding is also needed to ensure providers remain viable to keep their doors open. Fees faced by parents are amongst the highest in Europe and must be reduced.

Sinn Féin priorities include:

- Over two Budgets, take on the wage bill with an immediate pay increase to the Living Wage and introduce a Sustainability and Capacity Fund for providers with payments averaging 20% of wage costs - **net cost €70 million in 2021 (€150.5 million first full year)**
- Reduce fees for parents by two thirds starting with a reduction of one third in 2021.





DISABILITY

Covid-19 public health restrictions and isolation are not experienced equally. People with disabilities and their carers have suffered disproportionately this year.

Many feel abandoned. Others with dementia or intellectual difficulties have regressed in the absence of day service supports throughout the pandemic.

With the suspension of non-covid health services already long waiting times for medical care lengthened further, many months of badly needed therapeutic input including speech and language therapy, physio and occupational therapy have been lost. And with day services closed, schools closed and grandparents cocooning a completely unsustainable and exclusive responsibility for caring was placed onto the immediate families of persons with disabilities with zero respite for most.

Under the Covid-19 public health guidance the capacity of reopened day services has significantly reduced within existing accommodation and staff levels. This reality has a knock-on effect for those living in community residential places and staff who have yet to be repatriated to their day service posts. Additional investment in staff and accommodation for services is required to restore capacity to pre-Covid levels and to meet increased demand.

The physical barriers to participation in the workforce may also be unwittingly hardened by Covid-19 measures. Government must invest to ensure that people with disabilities and their families fare better in 2021.

Sinn Féin priorities include:

- Increase funding for disability services to meet costs of Covid-19 including day services, respite, personal assistance hours - **€150 million Current and €20 million Capital**
- Increase funding for housing adaptation grants for people with disabilities and older people - **€12 million**
- Increase social welfare payments for people with disabilities by €10 per week - **€82.4 million**
- Increase the annual Carer Support Grant (formerly Respite Care Grant) to €2,000 - **€41.9 million**

BREXIT

The full consequences of Brexit are as yet unknown. There is no such thing as a good Brexit for Ireland. And the Internal Market Bill showed that the British government cannot even be trusted to stick to the terms of a binding international agreement it negotiated. For Budget 2021 it is assumed that there will be no deal and a disorderly Brexit.

We must see very targeted spending and support measures introduced to bolster the most impacted sectors of our society and the economy.

A Brexit preparation package valued at €1.2 billion was announced as part of last year's budget. With €650 million allocated as a 'no deal contingency fund', should Britain exit the EU without a deal.

This contingency fund must be added to and readied to support the agriculture, fisheries, enterprise and tourism sectors and "the most affected citizens and regions" across the island of Ireland.

A contingency fund of no less than €1 billion is needed.

In addition to that, many of our Budget 2021 proposals outlined elsewhere in this document would also help to mitigate the worst effects of Brexit including for example wage subsidies, grants for businesses, our stimulus measures for the tourism and hospitality sector, our capital investment programme, increased funding for Enterprise Ireland and a new Irish Enterprise Agency supporting domestic businesses trading domestically.



FINANCING A FAIR RECOVERY

We are in a strong position to protect incomes, support jobs, and build a fair recovery. There is no excuse for a weak response.

With no debts maturing in 2021 and the cost of borrowing remaining low, the State is well placed to finance our response to COVID-19 in the time ahead. We must act fast and do whatever it takes to protect incomes, jobs and lives.

Now is not the time for fiscal conservatism, which will only increase unemployment, lengthen the recession and damage the ability of our economy to recover quickly. The refusal to invest adequately in our public services, driven by ideology and private interests, has weakened our capacity to respond to the challenges wrought by this virus.

Sinn Féin's proposals would meet the scale of the challenges we face; protecting lives and incomes while launching a fiscal stimulus that creates jobs, builds homes, and forges a new economy with workers at its centre.

Sinn Féin's proposals would be funded through sustainable borrowing and the introduction of progressive tax measures that contribute towards our national recovery as we build a better future, building on the solidarity that has been shown in our families and communities.

As part of its budgetary strategy, the Government has indicated that it will increase expenditure by €12 billion, comprising €1.1 billion in pre-committed expenditure, €1 billion in capital expenditure, €9 billion in COVID-related expenditure and €900 million to meet day to day pressures in existing services.

Sinn Féin's alternative budget would provide an additional €5.3 billion in current expenditure and €2.5 billion in capital expenditure.

This increase in current spending would be partially funded by progressive tax measures worth €1.5 billion, bringing net additional current expenditure to €3.8 billion.

This additional current expenditure is mostly comprised of one-off measures worth a combined €3.5 billion; designed to save lives, protect incomes, support workers and businesses, and provide a fiscal stimulus that will create jobs and reboot our economy.

These one-off measures include:

- Reversing cuts to the Pandemic Unemployment Payment and introducing an enhanced Wage Subsidy Scheme that supports incomes and protects workers - **€1.5 billion**
- Additional spending on Testing and Tracing - **€150 million**
- Introducing an SME Grant Scheme increasing grants to €25,000 for severely impacted sectors and €12,000 for moderately impacted sectors - **€750 million**
- Extending the Commercial Rates Waiver to July 2021 - **€520 million**
- Replacing the Stay and Spend Initiative with a Tourism and Hospitality Voucher - **€522 million**
- Increase funding for Fáilte Ireland - **€50 million**

Sinn Féin would also introduce a one-off reduction in VAT from 13.5 to 9% for our hospitality and tourism sectors, at a cost of €320 million in 2021.

BUDGET OVERVIEW

Measures	Government (€m)	Additional (€m)	Total (€m)
COVID-19 Response	9,000	+3,492	12,492
Capital Investment	1,000	+2,493	3,493
Pre-committed	1,100	0	1,100
Discretionary	900	+1,788	2,688
Tax Raised	0	-1,490	-1,490
Total	12,000	+6,283	18,283

COVID-19 has been an earthquake in our economy, but its impact has been disproportionately felt by low-income workers and indigenous sectors such as hospitality, tourism and retail. In contrast, few job losses have been experienced by high-income earners, while the multinational sector continues to enjoy strong exports and buoyant profits.

Our families and communities have shown unparalleled solidarity as we fight this virus. We must demand the same solidarity in our economy.

Sinn Féin's tax policies would ensure that no individual income of less than 100,000 would see any increase in the tax they pay. Now is the time to shield incomes, protect household finances and boost demand to get our economy going again. Sinn Féin would also ensure that those who can afford to contribute more to our national recovery do so.

The path to a fair recovery can and must start now.

Sinn Féin's priorities for a fair recovery include:

- Funding our public services and strengthening economic solidarity by introducing a 3% Solidarity Tax in 2021 on individual incomes above €140,000, rising to 5% in 2022, and removing tax credits on a tapered basis from individual incomes above €100,000 - **€488 million**
- Introducing an 80 percent cap on capital allowances claimed against intangible assets on-shored by multinationals since 2015 - **€720million**
- The introduction of higher rates of unemployment support at the outbreak of COVID-19 revealed a social insurance system that was not fit for purpose. We must transform our social insurance system; including how we fund it. We would begin by introducing a new rate of Employers' PRSI for incomes above €100,000; starting at 12.05% in 2021 as we move towards a more progressive, sustainable model - **€29 million**
- Abolish the Special Assignee Relief Programme, a tax break given to the richest multinational employees but denied to ordinary workers and earners - **€40 million**
- Ending the corporation tax break for the bailed-out banks that has allowed them to write off their past losses against future profits and reduce their corporation tax bill to zero

SINN FÉIN BUDGET PROPOSALS 2021

The allocations that follow are in addition to pre-committed expenditure including carry over and demographics, the National Development Plan and €9 billion Covid-related expenditure.

Figures are first year costs pertaining to 2021 unless otherwise specified.

CURRENT EXPENDITURE

DEPARTMENT OF HEALTH

Current Expenditure (€m)	1031
Deliver 1,100 additional hospital beds and 100 additional ICU beds * this cost may be partially covered within the €9bn Covid-related expenditure	449.7
Additional 2500 doctors, nurses, consultants, and allied health and social care professionals	150
Additional Funding & Resourcing Testing & Tracing Service	150
Kickstart National Cancer Strategy	20
Funding to address cancer service backlogs	10
Repatriate Cervical Check Screening Services	12
Mental Health Support Package	48.7
Home Help Hours over and above the Winter Plan	34.5
Resolving Consultant pay issue	25.7
Increase funding for Local and Regional Drug & Alcohol Task Forces and the National Drugs Strategy by 10% and invest in problem gambling supports	6
Additional Neuro Rehab Team	5.18
Expand Newborn Screening Services	1
Introduce Medical Cards for Terminally Ill	40
Invest in care for those with Dementia	2.6
Ombudsman for Older People	2.5
Abolish Prescription Charges beginning with a reduction of €1 in 2021	37
Increase GP Trainee intake	3.3
EHIC for 6C citizens	5
Reduce Drugs Payment Scheme Threshold to €100	27.84

DEPARTMENT OF HOUSING, PLANNING AND LOCAL GOVERNMENT

Current Expenditure (€m)	21.5
Increase funding for housing adaptation grants for people with disabilities and older people	12
Funding for private rental inspections	2
Latent Defects Redress Scheme	7.5

DEPARTMENT OF EMPLOYMENT AFFAIRS AND SOCIAL PROTECTION; AND RURAL AND COMMUNITY DEVELOPMENT

Current Expenditure (€m)	2368.3
Additional funding for income supports WSS/PUP	1500
Increase working age social welfare payments, including farm assist, by €5	222.5
Increase Disability Allowance and Blind Pension by €10 (extra €5 on top of general working age payments increase)	41.4
Increase the Qualified Child Increase for over 12s and under 12s by €5 and €2.50	68.7
Right to retire for 65-year olds by re-introducing State Pension (Transition)	127
call off the scheduled increase of state pension age to 67	180
Increase payments for pensioners by €3 per week and €5 for those living alone	125.50
Resource MABS to recruit 10 Public Personal Insolvency Practitioners	1
Increase the annual Carer Support Grant (formerly Respite Care Grant) to €2,000	41.9
Extend the fuel allowance season by an additional two weeks	18.40
Increase LEADER funding by 10%	3.5
Establish a Social Welfare Adequacy Commission to advise government on payment rates	0.3
Increase the earnings disregard for the One Parent Family payment to €175	27.7
Increase the Job Seekers (Transitional) Payment scheme age cut off to 18 years	10
Establish Child Maintenance Service	0.4

DEPARTMENT OF BUSINESS, ENTERPRISE, AND INNOVATION

Current Expenditure (€m)	1401.6
SME Grant Scheme	750
Expand apprenticeship schemes	74
Extend Commercial Rates Wavier until June 2021	520
Increase funding to the Workplace Relations Commission by 50%	7.6
Additional Funding Trading Online Vouchers	2
Establish a new Irish Enterprise Agency to assist SMEs trading domestically	10
Create a Workers' Cooperative Development Unit	5
Provide the WALK PEER employment support service model in all 26 counties for young people with disabilities	5
Increase funding to Enterprise Ireland by 10%	28

DEPARTMENT OF CHILDREN, DISABILITY, EQUALITY AND INTEGRATION

Current Expenditure (€m)	257.57
Affordable Childcare Proposals	70.2
Recruit an additional 150 social workers	10.2
Recruit an additional 50 administrative support staff for social workers	2
Hire 40 additional aftercare workers	1.87
Invest in youth organisations and youth services	10
Establish a network of child contact centres	8.8
Increase funding for disability services to meet costs of Covid-19 including day services, respite, personal assistance hours	150
Increase funding for domestic violence emergency and step-down accommodation and supports	4.5

DEPARTMENT OF COMMUNICATIONS, CLIMATE ACTION AND ENVIRONMENT; TRANSPORT, TOURISM AND SPORT

Current Expenditure (€m)	638.7
Public Transport Additional PSO Investment	50
Rural Transport - Local Link	11.7
Tourism & Hospitality Vouchers	522
Additional funding for local authorities to run domestic tourism projects	5
Additional funding for Failte Ireland of €50 million in 2021	50

DEPARTMENT OF EDUCATION AND SKILLS

Current Expenditure (€m)	30.89
Phased abolishment of private school subsidy	-10.7
Immediate pay equality for schools secretaries	7
Recruit 20 additional educational psychologists (full year cost)	1.5
Recruit 200 additional resource teachers (full year cost)	3.2
Reduce the pupil-teacher ratio by two points	8
A 10% increase in the ICT Infrastructure Budget.	1.66
Increase Capitation funding to primary/post primary schools	14.7
1 release day per week for teaching principals	5.53

DEPARTMENT OF FURTHER AND HIGHER EDUCATION, RESEARCH, INNOVATION AND SCIENCE

Current Expenditure (€m)	88.3
Abolish the Student Contribution Charge, starting with a €500 reduction in 2020	13.43
Provide significant core funding increases to institutions of higher education	60
Increase SUSI maintenance grant by 10%	5.33
Raise the income threshold for SUSI grants by 10%	6.66
Expanding eligibility for mature independents maintenance grants to include over 25s living with parents	2.9

DEPARTMENT OF AGRICULTURE, FOOD AND THE MARINE

Current Expenditure (€m)	181
New Cow Suckler Scheme Reboot €300 for the first cow/calf pair, €150 for the second cow/calf pair, and €80 for the remainder up to 100.	107
Increase Sheep Welfare Scheme to €20 per ewe	25
Increase in Natural Reserve Fund	10
Extend and invest in extra places for GLAS	9
Extend afforestation grants	2
Extend organic farming grants to local farmer	2
Invest in areas of natural constraint	25
Establish Food Ombudsman	1

DEPARTMENT OF CULTURE, HERITAGE AND THE GAELTACHT

Current Expenditure (€m)	23
Gaeilge & Gaeltachta Extra funding	18
Arts & Culture Extra funding	5

DEPARTMENT OF FOREIGN AFFAIRS AND TRADE; AND DEFENCE

Current Expenditure (€m)	26.1
Overseas Development and Aid Increase	10
Fund the creation of a repatriation scheme for Irish citizens who died overseas	1
Introduce a pay and allowance package for Defence Forces (restoring premium rates for Saturday and Sunday, and implementing the arbitration decision regarding the Army Ranger allowance and additional funding for Healthcare and Medical Support)	13.75
Establish screening programme for Larium	0.75
Increase funding for the Veteran's Association	0.3
Increase funding to the Irish Red Cross Society	0.3

DEPARTMENT OF JUSTICE AND EQUALITY

Current Expenditure (€m)	32.35
Recruit 800 Garda trainees	18.7
Increase Garda Civilian staff by 200	9
Increase Court services funding 5%	4.5
Creation of five new Gardaí Diversion Projects	0.15

DEPARTMENT OF PUBLIC EXPENDITURE & REFORM

Current Expenditure (€m)	79.9
Restoration of pay for Section 39 workers (phased in over 3-years)	22.6
A living wage for all public and civil sectors workers	3.8
Equalisation of the pay grades for post 2011 public sector workers with their pre-2011 colleagues	58
Reducing TDs salaries to €75,000 p/a	-3.4
Reducing Senators Salaries to €60,000 p/a	-0.5
Reduce salary top-ups of An Taoiseach and Government Ministers by 50%	-0.6

CAPITAL EXPENDITURE

DEPARTMENT OF HEALTH

Capital Expenditure (€m)	461
Deliver 1,100 additional hospital beds and 100 additional ICU beds	425
Physical Capacity Expansion Cancer Services	10
Mental Health Centres Capital Works	6
Invest Ehealth	20

DEPARTMENT OF HOUSING, PLANNING AND LOCAL GOVERNMENT

Capital Expenditure (€m)	1476.5
Social homes (2,293 units)	467
Affordable cost rental (4000 units)	930
Affordable leasehold purchase homes (4000 units)	80

DEPARTMENT OF EMPLOYMENT AFFAIRS AND SOCIAL PROTECTION; AND RURAL AND COMMUNITY DEVELOPMENT

Capital Expenditure (€m)	205
Rural & Regional Development Fund	200
Increase funding for small scale rural projects (CLAR) by 40%	5

DEPARTMENT OF COMMUNICATIONS, CLIMATE ACTION AND ENVIRONMENT; AND TRANSPORT, TOURISM AND SPORT

Capital Expenditure (€m)	201.37
Accessible Public Transport 4 year plan to make all public transport modes except taxi's & hackneys universally accessible	34.37
Greenway Fund	5
Cycling/Walking Infrastructure Funds	25
EV Charging Infrastructure	10
Local/Rural & National Roads	52
Investing in connectivity and growth across the island of Ireland including the North-West Inclusive Growth Deal and Ulster Canal which builds upon the already pre-committed expenditure for the A5	65
Additional Sports Capital Grants Programme	10

DEPARTMENT OF CHILDREN, DISABILITY, EQUALITY AND INTEGRATION

Capital Expenditure (€m)	20
Capacity Expansion Disability Services	20

DEPARTMENT OF EDUCATION AND SKILLS

Capital Expenditure (€m)	100
A fund to enable reduction to pupil teacher ratio prioritising schools struggling most with lack of space.	100

DEPARTMENT OF CULTURE, HERITAGE AND THE GAELTACHT

Capital Expenditure (€m)	17
Development of Moore street cultural quarter Heritage	10
Gaeltacht Capital Works Programme	7

DEPARTMENT OF JUSTICE AND EQUALITY

Capital Expenditure (€m)	12
Increase funding for Garda Capital Building and Refurbishment Programme	12

FINANCE

Tax Expenditure (€m)	
Reducing Local Property Tax by 20%	97
A month's rent relief	250
Increase Earned Income Credit to €1,650	13
Retain mortgage interest relief	34
Restore Trade Union Relief	37
Reduce VAT from 13.5% to 9% for Hospitality & Tourism	320
Total	751
Tax Revenue (€m)	
Introduce a wealth tax at a rate of 1% on the portion of wealth held over €1 million	89
Introduce a 2nd home charge at a rate of €400	64
Increase excise duty on a packet of cigarettes by 30c	34
Increase Capital Acquisitions Tax by 3% and reduce the Group A tax-free threshold to €302,000	43
Increase Stamp Duty to 2% and 5% on residential properties of values above €700k and €1 million respectively	31
Abolish the Special Assignee Relief Programme	40
Increase the Dividend Withholding Tax on REITs and IREFs from 20% to 33%	9
Introduce a 3% Solidarity Tax on individual incomes above €140,000	152
Remove tax credits on a tapered basis on incomes above €100,000	236
Increase Employers PRSI by 1% on the portion of salaries above €100,000	29
Reduce subsidies to gold-plated pensions by reducing the earnings limit and reducing the Standard Fund Threshold to €1.5 million	384
Introduce an 80% cap on capital allowances claimed against intangible assets on-shored by multinationals	720
Increase commercial stamp duty from 7.5 to 12.5% while retaining reliefs for farming	310
Abolish the Help to Buy Scheme	100
Total	2,241
Net Tax Revenue	1,490

ADDITIONAL TAXATION MEASURES: End the corporation tax break for the bailed-out banks;
 Introduce a 3% Stamp Duty Surcharge on Residential Property bought by International Investment Funds;
 Applying a rate of 33% Capital Gains Tax on all property disposals by REITs and IREFs;
 Applying the full rate of Stamp Duty on REITs and IREFs;
 Increase the Vacant Site Levy from 7.5% to 15%.



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