



Opportunities for a Better Ireland



Young Fine Gael
Pre-Budget
Submission 2019



*October
2018*

Contents

Foreword	3
Priorities for Young Fine Gael.....	4
Taxation	5
Health	9
Mental Health.....	10
Education.....	11
Housing.....	13
Agriculture and Rural Affairs.....	14
Environment	15
Culture	16
Reducing Child Poverty	17
Transport	18
The Presidency.....	18
Science.....	19
Living with a Disability	20
Acknowledgements	21

Foreword

When Fine Gael came to power in March 2011, the bottom had long since fallen out of Ireland's economy. Our unemployment rate had ballooned, emigration had returned to our shores, and, our ability to set our own economic course had been surrendered.

Fast forward to the Ireland of 2018, and the picture could not be any more different.

There are more people at work in Ireland now than ever before. Net migration has reversed so that immigration outweighs emigration for the first time in almost a decade, and our economic sovereignty has been comprehensively restored.

We are once again an island at the centre of the world.

It is in this context that Young Fine Gael presents this submission ahead of Budget 2019 to our senior party colleagues in Government, Fine Gael. It contains a suite of proposals dealing with a swathe of the Irish economy and society that we believe reflects the depth of the ambition of our generation to solve the problems that are facing it.

The people know how to spend their money better than any Government ever could, and the existing tax regime punishes work. That's why we're calling for a host of wide-ranging slashes to tax across the board, including to VAT.

As the housing crisis rumbles on, Young Fine Gael feels that any effort to reduce the demand on available housing supply will contribute to resolving the crisis. That's why we're repeating our call for the introduction of a statutory obligation for third level institutions to provide accommodation for at least 15% of their student populations, to reduce the significant student demand for housing that is otherwise available.

The time for the emergency measures required during the darkest days of Fianna Fáil's Recession have passed. That's why we're calling for full pay restoration for all low-paid, frontline public-sector workers, but particularly those brave members of our Defence Forces who are amongst the lowest paid in Europe but who have grinned and borne it for longer they should have had to.

This Budget represents an opportunity for the Government that stepped in to the breach when Ireland's economy was on its knees to give back to the men and women of Ireland who paid the cost of rescuing it.

It is Young Fine Gael's fervent hope that they seize that opportunity and do so.

I wish to thank members of the Young Fine Gael National Executive and across all of our branches for helping to build these proposals.



Killian Foley Walsh

President, Young Fine Gael

Priorities for Young Fine Gael

- Widen The Income Tax Band At Which Workers Reach The Highest Rate
- Stamp Duty Relief For People Building Homes On Family Land
- Prioritisation Of Pay Restoration For Lower Pay Grades And Frontline Staff
- Full Pay Restoration For All Defence Forces Personnel To Pre-2008 Levels
- Minimum Wage Equality
- Drug Treatment And Prevention
- Nationwide Schools Programme On Mental Health Promotion And Well-Being
- Introduction Of Compulsory Cyber Safety Classes
- Student Specific Accommodation
- Student Accommodation Rent Cap
- High-Speed Broadband
- Increase Carbon Tax
- Cultural Passport Scheme
- Invest In Services Rather Than Cash Transfers In An Attempt To Reduce Child Poverty
- Expand The Affordable Childcare Scheme
- Bike To College Scheme
- Membership Of CERN

Taxation

'Progressive taxation can offset the effect of growing inequality' Winnie Byanyima

Taxation policy is vital to ensure that a country's economy can grow at a steady rate. A progressive taxation system can encourage employment and investment. Young Fine Gael believes that a tax system that encourages and incentivises work instead of discouraging it is the best system for the people and the country as a whole. However, an economic policy based solely around tax cuts is not desirable. Carefully targeting spending in areas requiring urgent attention such as education, healthcare and housing should also be strongly considered. Along with the ever-looming threat of Brexit on the horizon, our taxation policy matters more than ever before in relation to retaining existing multinationals and encouraging new companies to establish a base in Ireland.

Young Fine Gael calls for the following:

Widen income tax band: Young Fine Gael calls on the Government to continue increasing the standard rate cut-off point at which a person begins paying the higher rate of income tax. This cut-off point currently stands at €34,550 following an increase by the government of €750 from the previous year. While Fine Gael is committed to a system of progressive taxation, the income threshold at which taxpayers begin paying the higher rate of 40% on their earnings is simply too low. This places increased financial pressure on those who bore the majority of the economic burden during the Fine Gael-led recovery, while particularly affecting young graduates trying to climb the economic ladder and invest in their future. A similar increase to last year would be strongly welcomed and Young Fine Gael proposes that these steady increases should continue in following budgets. It would demonstrate this party's commitment to those who get up early in the morning, and invest in themselves, their future, their families and drive our economic engine forward.

Stamp duty relief for people building homes on family land: Young Fine Gael proposes the introduction of an exemption on the 6% stamp duty rate applied to non-residential property for the transfer of land for the purposes of building a house. Changes introduced in Budget 2018 meant that all non-residential property (eg. a site for a house) attracts a rate of 6% stamp duty based on the market value of the site and not the rate paid for the site. The person in whose name the non-residential land will be registered, incurs the cost of the stamp duty charge irrespective of whether they are receiving the property for money or not. In reality the effect of these changes mean that a son or daughter receiving a site from their parents or grandparents at no cost will incur a stamp duty charge of €3600.00 on receiving the average site of one acre valued at €60,000.00. Young Fine Gael proposes that for sites less than 1.5 acres in size, no stamp duty should apply for the first five years where the transfer of land occurs between a parent, brother, sister, niece, nephew, grandparent or grandchild. After five years, the stamp duty rate will rise by 1% for each subsequent year until the normal rate of 6% is reached after 11 years. This will afford young people the chance to build on land they might receive unexpectedly through a will or intestacy. It will also encourage young people to build on family land and will help to reduce the high administrative costs faced by young people prior to the building work commencing.

Inheritance tax reform: Our current inheritance tax rate is an extreme irregularity at 33%. The average OECD rate is 15% with many countries such as Australia, Canada and Norway implementing a rate of 0%. Our current regime is a form of double taxation, targeting those inheriting a family

home or farm. Young Fine Gael proposes to lower the tax rate from 33% to 20%, the 2008 level and then aim to reduce it further in upcoming budgets to the OECD average of 15%. Young Fine Gael also proposes to raise the tax-free thresholds to A – 550,000, B – 75,000 and C – 25,000. This would put them back in line with pre-crash levels.

VAT reduction: Young Fine Gael calls on the Government to reduce the standard VAT rate of 23% over the next number of budgets, which as it stands is one of the highest in the world.¹ We believe the 23% VAT rate's regressive nature stunts consumer demand and increases pressure on Irish businesses, especially given the difficulties likely to occur following Brexit and the consequences of a weakened sterling. Our high VAT rate also encourages cross border shopping and online shopping in the UK. As it currently stands, 60% of the online shopping annual spend already goes to businesses operating outside of Ireland.²

Tax Credits: Young Fine Gael calls for harmonisation between the tax credits available to employees and the self-employed. Tax credits for the self-employed currently stand at €1,150 compared to €1,650 for employees and this distinction acts as a barrier and a disincentive to people considering self-employment or starting their own business.

Brexit and the Budget: The decision by the UK to leave the European Union has profound implications for Irish industry and Ireland as a whole. Irish businesses are already feeling the real effects of Brexit as the value of sterling fell following the vote. This has increased the price of Irish goods in the UK market, led to a considerable increase in cross border shopping and increased the cost for UK citizens considering Ireland as a tourist destination. Young Fine Gael calls for the Government to deliver a budget mindful of Brexit and to help Irish industries mitigate the risks of Brexit and encourage and stimulate consumer spending at home.

Corporation Tax: Young Fine Gael is steadfast in its support for maintaining the current rate of 12.5% and believes it is essential that Ireland maintains this to ensure continued economic growth. Large multinational corporations such as Goldman Sachs, Pfizer, Google and Apple employ a substantial amount of the Irish labour force and also have their European Headquarters located in Ireland. While there are a variety of different reasons multinationals choose Ireland as their European base, one of the main reasons is the low corporate tax rate. The 12.5% also guarantees a minimalistic shock against the British decision to exit the European Union, as more firms in the United Kingdom will look to Ireland as a business destination post Brexit rather than to continental Europe. This has already been the case with the investment bank, Goldman Sachs who have moved their European Headquarters from London to Dublin. Not only does this tax affect the international firms, but it also affects indigenous Irish firms, and spin-off firms. Most of these multinational firms would choose Irish corporate law firms to represent them or offer consultations, as well as avail of Irish property, Irish food and drink and other goods and services. We continue to support the 12.5% corporation tax rate for these reasons.

¹ [http://taxsummaries.pwc.com/ID/Value-added-tax-\(VAT\)-rates](http://taxsummaries.pwc.com/ID/Value-added-tax-(VAT)-rates)

² <https://www.irishtimes.com/business/retail-and-services/60-of-irish-online-spending-went-to-foreign-retailers-in-2017-1.3396563>

Employment and Welfare Reform

'I know reform is never easy. But I know reform is right' Julia Gillard

Employment should always remain a central priority for any government. The government can shape and create the conditions and environment for positive job creation which can be seen in the positive news on this front under the current government.³ The unemployment rate is now under 6% (down from a high of 15.9%) and closing in on full employment.⁴ On youth unemployment, there is a consistent downwards trend downwards (down to 13.9% this month⁵) however it remains more than double the rate of unemployment overall, indicating that more progress in this area is needed. The welfare system should help and support individuals and families who need assistance but it is crucial that the welfare system empowers these people and doesn't trap them in a cycle of welfare dependence. Young Fine Gael truly believes that work should always pay more than welfare and that welfare should be a hand-up and not a hand-out.

In line with these aims, Young Fine Gael proposes the following measures:

Prioritisation for pay restoration for lower pay grades and frontline staff: Young Fine Gael calls for the prioritisation of restoration for lower pay grades and frontline staff in any future public sector agreements. Lower pay grades which mainly consist of new entrants were disproportionately affected by the public sector pay cuts during our economic recession. Sectors such as our schools and hospitals struggle to retain new members of staff due to the disproportionate pay gap between those who joined prior to and after the recession. Frontline staff such as teachers, nurses, paramedics and members of An Garda Síochána are instrumental to the successful running of our country and should be paid a decent and fair wage for their labour. Young Fine Gael believes that these groups of public sector staff need to be prioritised for full pay restoration in future public sector agreements before other public sector employees are considered.

Full pay restoration for all Defence Forces personnel to pre-2008 levels: Young Fine Gael calls for pay for all our Defence Forces personnel to be fully restored to pre-2008 levels in budget 2019. This is our policy passed unanimously at our National Conference in March 2018 and lobbied for through our current 'Pay Our Troops' campaign. This measure is the only effective way to address the retention of personnel crisis in the Defence Forces and the poor working conditions occurring as a result. The last 4 years have seen 30% of the Defence Forces' overall strength leave the force, 77% of which were early retirements. Reports including the major 'Workplace Climate in the Defence Forces' report published by the University of Limerick last year overwhelmingly cite pay and conditions as the reasons for this crisis. Full pay restoration for all personnel is the only way to address this.

Minimum wage equality: Young Fine Gael calls for the abolition of sub-minimum rates of the minimum wage. These sub-minimum rates apply to those aged under 18, those in the first two years of employment aged over 18 and those over 18 in structured training, where those applicable receive a percentage of the minimum wage between 70% to 90%. The Government's commitment

³ <https://www.irishtimes.com/business/economy/unemployment-still-falling-but-headline-rate-revised-up-to-5-6-1.3617864>

⁴ In Ireland, 5% is seen as the rate of full employment.

⁵ <https://www.rte.ie/news/business/2018/0904/991505-unemployment-figures/>

to “making work pay” should be shown by its desire to protect younger members of the work force from earnings that deny them the chance to earn a decent standard of living. To ensure that the cost of hiring and training young members of staff does not become too much of a burden on employers so as to disadvantage young people when they apply due to the increase in wage costs, Young Fine Gael advocates for a reduction in employer’s PRSI for those employees aged under 18.

Reform of Jobseekers allowance: The jobseekers allowance for an adult aged 26 and over currently stands at €198. This drops to €152.80 when aged 25 and down to just €107.70 when aged between 18-24. This sizeable difference has been attributed to attempts to incentivise younger age groups to engage in education or training opportunities but these opportunities would be similarly beneficial to people aged 26 and over. This difference is a clear example of age discrimination and Young Fine Gael calls on the government to equalise jobseeker payments for all ages.

Prioritisation of Work: Young Fine Gael calls for no increase in the supplementary welfare allowance as the country is reaching full employment and jobs are available throughout nationwide. The government should abide by their commitment of “making work pay” and ensure that available resources are spent in the most focused way possible. Young Fine Gael stresses that this prioritisation of working people should not come at the expense of other social assistance payments such as for example, the carer’s allowance, the state (non-contributory) pension, the blind pension and the disability allowance for people who contribute, have contributed or are unable to contribute fully respectively. Targeted increases should be considered for these specific benefits/allowances.

Small Benefits Exemption: Young Fine Gael calls on the government to increase the threshold for the Small Benefits exemption from €500 towards €650, which is approximately a week’s salary for someone on the average industrial wage. This increase will allow employees more discretionary income that they can spend in their local economies.

Reduce extra USC paid by self-employed people: Self-Employed people take substantial risks in establishing a business. Young Fine Gael calls on the Government to reduce the USC rate for self-employed people earning more than €100,000 from 11% to the 8% applicable for PAYE workers on the basis of equal treatment for all workers.

Savings Scheme: Young Fine Gael calls on the government to introduce a saving scheme similar to the previously successful SSIA scheme. The Irish economy is currently growing at the highest rate in Europe⁶ and to ensure that a boom bust culture does not develop within the Irish economy, Young Fine Gael calls for an incentivised savings scheme so as to encourage people to save their increased earnings. Increased savings will help to cool economic growth rates to a more reasonable level so as to safeguard its current healthy state.

University focused schemes: Young Fine Gael calls for increased investment in University Innovation and Entrepreneurship schemes. Tax exemptions to companies who choose to engage with third level research institutions should be introduced.

Progress on Equality in the Workplace: Young Fine Gael welcomes the paternity leave introduced in 2016 of two week’s paid leave but believes this should be extended to four weeks. This would allow both parents time to bond with their new baby without worrying about the stresses of returning to

⁶ 5.6% in 2018

work. Ireland must continue to strive towards a Republic of Equality and Equal Opportunity where all citizens are treated the same by the State.

Increased Investment in Voluntary Youth Work Organisations and Youth Work Services: Young Fine Gael calls for increased investment in Voluntary Youth Work Organisations and Youth Work Services. Investment in the area decreased by 31.7% over an eight-year period, from €73.1m in 2008 to €49.9m in 2015. While funding for youth work from DCYA had recovered to €58.9m by 2018, it is still 20% below that of a decade ago. These severe cutbacks have left significant deficits and have put significant strain on volunteers, staff and organisations to deliver quality youth services and supports for the increasing number of young people, while also meeting the increasing level of governance requirements. Many voluntary youth organisations are reaching a crisis point as they stretch already diminished budgets to meet ever growing governance and compliance requirements such as Children First, the National Quality Standards Framework (NQSF) for the Youth Work Sector, vetting, charities regulation, the Companies Act, lobbying regulation, GDPR, etc. while also responding to the changing and growing needs of young people in their programmes and activities.

Apprenticeships: Young Fine Gael calls for an increased focus on apprenticeships especially in the construction industry. Increasing the number of apprentices would assist in the goal of increasing the amount of house builds and would ensure that there is a gradual increase in the number working in the construction industry after it dramatically collapsed following the economic recession. For apprentices more generally, the government should consider creating incentives for employers to further encourage them to create these places in their workplaces. A reduction in the employers PRSI rate for apprentice employees for the duration of their training would be a measure that Young Fine Gael believes would have a positive impact.

Health

'It is health that is real wealth and not pieces of gold and silver' Mahatma Gandhi

The Irish health service provides outstanding care to Irish people every single day. Outcomes for patients with cancer and many other long-term chronic diseases have greatly improved in recent years and other successes such as the reduction in the numbers of patients contracting superbugs such as MRSA show that the Irish health service is capable of improvement with focused, driven leadership. Young Fine Gael welcomes the recent publication of Sláintecare and now urges the government to set up the necessary structures to ensure that it has full implementation and does not become yet another layer of half-formed bureaucracy in an already overburdened system. Young Fine Gael also calls for the government to continue to drive targeted improvements to the health service and direct money in the upcoming budget to areas where it can make the greatest impact.

To ensure a continued increasing standard of healthcare for our people, Young Fine Gael calls for the following:

Drugs Treatment and Prevention: Young Fine Gael calls for increased investment in our drug treatment and prevention services. According to the European Monitoring Centre for Drugs and Drug Addiction, drug overdose deaths in Portugal are the second-lowest in the European Union. Among Portuguese adults, there are three drug overdose deaths for every one million

citizens while the EU average is 17.3 per million. To achieve this improvement, the Portuguese government doubled the investment of public funds invested in drug treatment and drug prevention services. Young Fine Gael calls on the government to implement a similar investment in our drug treatment and prevention services in order to replicate the success of the Portuguese model in the future.

Increase VAT rate on sunbeds: Young Fine Gael calls for a further increase on the VAT rate for sunbeds. Last year's increase from 13.5% to 23% was welcome but Young Fine Gael believes that the Government can and should go further. A higher VAT rate would act as a deterrent similar to the high taxes on both cigarettes and alcohol and could also contribute towards some of the increased health costs as a result of the use of sunbeds.

Reduce VAT rate on suncream: The VAT rate on suncream presently stands at 23%. In tandem with our call to increase the VAT paid on sunbeds, Young Fine Gael also calls for a reduction in the VAT paid on suncream. Currently classed as a "luxury item," suncream is a simple but underutilised tool in the fight against harmful UV rays. Young Fine Gael believes that a reduction in cost will lead to an increase in use, with benefits for consumer and health service alike.

Cigarettes: Young Fine Gael advocates increasing the excise duty on cigarettes by 25c. Raising the excise duty further encourages smokers to break their detrimental habit and is a policy in keeping with Ireland's aspiration to be 'smoke free' by 2025. Some of the money raised from this increase should be used for support and consultation services for those who are quitting smoking.

IT in Healthcare: Young Fine Gael calls for the government to invest heavily in IT systems in the health service. The underinvestment in information technology is evident in many areas of the health service. As young people, we understand the efficiencies of technology and use it as constantly as part of our everyday lives. We call on the government to make a large initial investment in IT systems within the health service in order to develop long term savings and better outcomes for patients.

Mental Health

'Since mental health problems have a serious economic impact on vulnerable communities, making them a priority can save lives and markedly improve people's quality of life' Vikram Patel

Mental health is an integral part of our health and wellbeing, yet it lacks the resources and focus of other areas of our health service. 75% of all mental illnesses occur for the first time between the ages of 16 and 25, and mental illness is by far the most common category of illness that afflicts young people under the age of 30.⁷ Therefore, it is of huge importance for youth organisations such as Young Fine Gael and we call on the government to not only fully implement the all-party consensus on mental health, "A Vision For Change", but to also update it to reflect the improved practices and knowledge gained in the 10 year period since it was published.

Young Fine Gael calls on the Government to:

⁷ Dooley, B. A., & Fitzgerald, A. (2012). *My world survey: National study of youth mental health in Ireland*. Headstrong and UCD School of Psychology

Invest in eMental Health: Young Fine Gael proposes investment in eMental Health. A recent report by the Mental Health Reform Alliance has suggested that eMental Health is an important, and cost-effective, element of treating people with mental health issues, by giving people flexibility and options for how they wish to receive treatment. This is especially true for young people, who are often more comfortable communicating via digital technology.

Invest in youth mental health research: Studies such as YMH Lab MyWorld study provided critical and important data to inform both professional and governmental responses to reform and practice. Young Fine Gael believes that research to better understand mental illness as well as demographic studies should continue to be adequately funded by Government.

Make training pathways easier for psychologists: Young Fine Gael believes that the current number of training places available for trainee psychologists is too small and often requires Master degrees along with a minimum of a year's voluntary work. This leads to a shortage of psychologists and limits the profession to a select few who can afford to work voluntarily and study. Young Fine Gael calls on the Government to make training pathways more accessible and more training focused on the area of expertise rather than general Masters degrees.

Nationwide Schools Programme: Young Fine Gael calls for the provision of necessary resources to be allocated to implement a nationwide schools programme on mental health promotion and well-being for both primary and post primary schools. This could be run alongside the new proposed subject on wellbeing introduced as part of the Junior Cert reforms which is a very welcome initiative. However, a nationwide schools programme is still required to ensure that all schools, both primary and secondary, are reached. The WHO has reported that there is ample evidence that school based programmes can influence positive mental health and reduce risk factors.⁸

Education

"Education is the investment that pays the best interest" - Benjamin Franklin

Young Fine Gael recognises that education is a crucial foundation stone to building a republic of opportunity where every child can fulfil their potential. Our education system has served us well in building the modern, knowledge-driven society we live in today and as we move forward in a fast-changing world we must ensure that it continues to grow and strive to fit the needs of a changing society and economy.

In line with the importance we place on education, Young Fine Gael calls for the following:

SNA Staff: Young Fine Gael calls on the Government to provide funding for the training and upskilling of SNA's. Special Needs Assistants provide invaluable support to pupils and teachers in schools across the country. However, despite the fact that the Special Needs Assistance Scheme costs €402⁹ million per year, there is little evidence as to the efficacy of their work. Some research¹⁰

⁸ WHO (2004) Prevention of mental disorders: effective interventions and policy options, Geneva: WHO

⁹ <https://www.oireachtas.ie/en/debates/question/2016-05-25/111/>

indicates that children with SNA's may become too reliant on the SNA and develop poorer social and independent skills as a result. An NCSE report¹¹ has stated that the scheme is a "blunt instrument" and while the scheme works well to cater for those with traditional care needs and younger students, there needs to be a radical overhaul for children with more complex needs. To realise this overhaul, SNA's should be given access to continuous professional development, support for their unique and important job and leave to go on days of professional development throughout the school year. Young Fine Gael calls on the government to provide the funding for this reform.

EPSEN Act: Young Fine Gael calls on the Government to provide funding to implement the remaining sections of the EPSEN Act 2004. The EPSEN Act¹² is a fundamental piece of legislation to allow children with additional special educational needs to reach their full potential and become fully included in school life, in mainstream school in most cases. However, there are certain sections that still remain to be implemented, and we urge the government to make provision for the implementation of the remaining sections in this budget.

Introduction of compulsory cyber safety classes: Young Fine Gael calls for the introduction of compulsory cyber safety classes in 1st year of secondary school. In today's world, young people conduct part of their social and educational lives online and it is paramount that they develop the skills to ensure they are safe online, especially at an age when they are beginning to use the internet with greater freedom and to connect with friends. The government should allocate the required funding for such classes.

More internships as part of college degrees: Young Fine Gael calls for colleges to offer more internships as part of a student's degrees. Internships offer students the chance to experience the real working world in an industry relating to their course, providing them with valuable skills that can be extremely beneficial to their future. Colleges such as UL and DIT already offer internships as part of the vast majority of their courses but other colleges should be strongly encouraged to follow their lead. It is important that Graduates have the right skills for the workforce to ensure that graduates can attain employment after they leave college. Work placements or internships through a college course can allow a student the opportunity to develop these skills. The benefits of such internships can be seen in the fact that UL has an employment rate which is 18% higher than the national average at undergraduate level.¹³

Third Level Funding: Young Fine Gael recognises that third level funding is an extremely complex issue with many different stakeholders. Despite this difficulty, third level funding is and will always be vitally important to the success of our third level institutions. The Cassells Report outlines how third level funding needs to increase by €1 billion by 2030 just to maintain current standards due to

¹⁰ Griffin, C. P. (2015). 'The Pursuit of Independence? Reconsidering the Role of the Special Needs Assistant in Inclusive Education', in A. O'Donnell (Ed.), *The Inclusion Delusion? Reflections on Democracy, Ethos and Education*, Oxford: Peter Lang, pp. 61-76

¹¹ NCSE (2018). A Comprehensive Report of the Special Needs Assistant Scheme, accessed at <http://ncse.ie/wp-content/uploads/2018/05/NCSE-PAP6-Comprehensive-Review-SNA-Scheme.pdf>

¹² Government of Ireland. 2004. *Education for Persons with Special Educational Needs (EPSEN) Act*. Dublin, Ireland: The Stationery Office.

¹³ <https://www.irishexaminer.com/ireland/ul-graduates-leading-the-way-in-jobs-market-283709.html>

projected increasing numbers going on third level and Young Fine Gael believes that these standards need drastic and considerable improvement.

School Uniforms: Currently, school uniforms over a certain size have VAT applied at 23%. Young Fine Gael calls for all school uniforms to be made VAT exempt, no matter the size, so as to reduce the costs faced by parents when their children attend school.

Housing

'Housing is absolutely essential to human flourishing. Without stable shelter, it all falls apart'

Matthew Desmond

Housing is without doubt the most urgent issue of this budget. The issues are myriad - homelessness, rising rents and chronic lack of supply and while the amount of buildings being constructed is rising, the pace of this increase is still unacceptably slow. Adequate and affordable housing is vitally important for the wellbeing of every person that calls this country home. Housing and homelessness are especially vital for children and young people- children in homelessness lack the stability and certainty that they need to thrive and reach their potential and young professionals struggle to source affordable accommodation when starting out in their careers. For these reasons, Young Fine Gael calls on the government to employ innovative and aggressive policy solutions to increase the supply of housing and identify blocks in the system that have led to the slow rate of construction.

To address this most pressing matter, Young Fine Gael propose the following measures:

Maintaining funding for young people leaving care who are at risk of homelessness: Homelessness has a drastic impact on a person's life, particularly at a young age. Young Fine Gael calls for maintenance of the commitment in the Rebuilding Ireland Action Plan of funding for the Capital Assistance Scheme (CAS) at its current level of €66 million to Tulsa in 2017 until at least the expiration of the Rebuilding Ireland Action Plan. This helps provide homes for vulnerable young people leaving care and this funding can make a long-term impact and leave a long-lasting legacy.

Student Specific Accommodation: Young Fine Gael calls for the increased provision of purpose-built student accommodation across all towns and cities that have large third level institutions in order to increase the availability of quality and regulated accommodation, as per the Student Accommodation scheme. We propose that the initial financing of this should come from Government and Local authorities along with contributions from the third level sector where appropriate. Young Fine Gael further proposes that Universities should be statutorily required to provide accommodation for at least 15% of their student population allowing for effective planning for the growth in student numbers.

Student Accommodation Rent Cap: Young Fine Gael calls on the Government to follow through on its commitment to introduce legislation to limit the rent increases faced by students for accommodation every summer. These substantial increases help to form a barrier preventing students from attending college or instead, forces them to travel hours to and from their place of study because accommodation pricing there is vastly out of control. Legislation would help to

protect vulnerable students who would otherwise be forced to pay way over the market rates to secure accommodation in order to attain their desired course in college.

Agriculture and Rural Affairs

'Agriculture not only gives riches to a nation, but the only riches she can call her own' Samuel Johnson

Young Fine Gael recognises the key role rural communities play in modern Ireland. Our agricultural industry is highly respected throughout the world but it is in need of a new generation of young farmers to take the industry further. Ireland ranks below the EU average for young farmers under the age of 35 at 6.4%¹⁴ and Young Fine Gael believes that young farmers need significant support at the early stages of their career to ensure that they can succeed. Brexit will disproportionately impact our agricultural industry and so the government must take steps to ensure that the industry is safeguarded insofar as is possible.

To ensure that rural Ireland and the agricultural industry not only survives but thrives, Young Fine Gael proposes the following measures:

High-speed broadband: Young Fine Gael calls for the acceleration in the process of providing high-speed broadband to all areas. In recent times, the news surrounding this has been extremely concerning and Young Fine Gael believes that its continued progress represents an essential component of the plans to rejuvenate and revive rural Ireland. Without this service, businesses will continue to struggle to provide their services from rural areas and its renewal and re-growth will be stifled.

Stamp Duty on farms: In Budget 2018, stamp duty for commercial property was raised from 2% to 6% due to the recovery in the prices for property. However, this increase did not take into account the agricultural industry where last year average income for farmers was just over €31,000.¹⁵ The primary asset of farming is the land itself so this stamp duty increase has impacted greatly on a farmer's ability to expand via land purchase. Young Fine Gael proposes that agricultural land be removed from the definition of commercial property and instead be re-designated into the residential stamp duty rate of 1% up to €1 million and 2% thereafter.

Incentivising Farm Safety: Farm safety is of critical importance so as to ensure all people can return home safely to their families. The fatality rate in Irish agriculture is higher than in any other economic sector despite the fact that a small proportion of the workforce overall is employed in farming.¹⁶ To try and reduce this incidence of fatal accidents, Young Fine Gael proposes that farm safety equipment should be exempt from VAT. This would encourage farmers to maintain better safety standards as the purchase and maintenance of equipment would be greatly reduced.

¹⁴ <https://www.agriland.ie/farming-news/young-farmer-numbers-declined-rapidly-in-12-year-period/>

¹⁵ Teagasc National Farm Survey

¹⁶ https://www.hsa.ie/eng/Your_Industry/Agriculture_Forestry/Further_Information/Fatal_Accidents/

Fair Deal Scheme Assessment: The Fair Deal scheme ensures that our elderly can be cared for in a suitable environment without worrying about the up-front costs of this care. However, the assessment method to determine your financial situation can cause some issues. The uncapped liability on farm assets is something of major concern to the farming community due to its ability to render a farm unviable. Young Fine Gael calls on the government to follow through on its commitment to remove this problem and introduce a cap on productive assets for assessment under the scheme.

Stamp Duty relief for Young Farmers: Young Fine Gael proposes that the stamp duty relief for young farmers, which is due to expire at the end of 2018, be extended until at least 2021. This exemption has helped encourage a younger generation into farming without being impacted by extra financial pain in the form of stamp duty. It has also encouraged the transfer of family farms to the next generation which is most welcomed.

Environment

'We won't have a society if we destroy the environment' Margaret Mead

Ireland suffered the worst drought in recent memory during the summer of 2018, resulting in national fodder crises and water restrictions. Ireland is set to be fined up to €500 million for not reaching the 2020 climate change goals set out by the European Commission. The same failures must not be repeated ahead of 2030, and urgent action is required to ensure that this does not happen. Action must also be taken in this immediate budgetary period to minimize the fines facing us in 2020. Young Fine Gael would like to see the Government show leadership on this issue.

Young Fine Gael calls for the following:

Bottle and can recycling scheme: Young Fine Gael proposes that a refundable levy on recyclable cans and bottles be introduced to encourage recycling. The levy would be applied at the point of purchase and would then be refunded upon recycling of the item in a correct manner. Such schemes are in place in both Canada and Germany and have been successful in incentivising recycling.

Plastic Bag levy: Young Fine Gael calls for the Government to increase the plastic bag levy to 35c from 22c, to encourage the purchase and use of long-lasting and environmentally conscious alternatives.

Electric Vehicles: In order to support the second-hand sales market for Electric Vehicles (EVs) and the anticipated decreased costs of EVs, Young Fine Gael supports an increase of the rates of 10% for all EV grants to encourage uptake and the inclusion of grants for EVs worth less than €14,000. Currently, Ireland is not set to achieve our 2020 carbon emission goals. Continued investment and promotion of electric vehicles will transition our vehicle fleet's dependence from imported fossil fuels to electricity, which is currently being generated up to 60% from renewable indigenous sources. This initiative will put us on track to achieve our carbon emission goals for 2050. This will be accompanied with our increase of distribution of EV charging points across the country.

Benefits in Kind on Electrical Vehicles: Young Fine Gael calls for the maintenance of the current rate of 0% on BIK electric vehicles but with an extension of the applicable period from 1 year to 2 years. This would encourage companies to offer their employees corporate cars that are more fuel

efficient, or that would run off electricity. It should be the aim of the government to decrease Ireland's carbon footprint. Offering the incentive of extending the rate of 0% on BIK electrical vehicles would see more electric cars on the motorway and would see people move away from the conventional fossil fuel dependant vehicles.

Carbon Tax Increase: Young Fine Gael calls on the government to increase the Carbon Tax from €20 per tonne to €30 per tonne in order to encourage the uptake of the home insulation and efficiency upgrades offered by the SEAI. Ireland is currently off course to reach the Horizon 2020 targets and in order to meet the 2030 goals action needs to be taken now to reduce carbon emissions.

Culture

"A nation's culture resides in the hearts and in the souls of its people" Mahatma Gandhi

Flicking through the Irish passport, one sees images of Irish traditional musical instruments, snippets of Irish songs and poetry, and symbols of our national sports. Yet often we don't fully appreciate the richness of our heritage and the vibrancy of our culture until we've passed through the departure gates in an Irish airport, landed in a foreign land and look with fresh eyes on what makes us Irish, what attaches us to each other and to this windswept island on the edge of the Atlantic Ocean. Our creation and sharing of art, the written word and theatre has given meaning to our past, helps us understand our present and lights the path for a better future. Young Fine Gael calls on the government to fulfil its promise to double the funding allocation to the Arts budget over the next five years and we are especially focused in ensuring that young people benefit from this increased funding.

Further to our call for the government to fulfil its promise in relation to arts funding, Young Fine Gael also calls for the following:

Culture Awareness: Young Fine Gael proposes the development of a Culture Passport system where every 18-year-old will receive a "passport" worth €100 to spend as they wish on a list of prescribed cultural activities. This system would allow young people to experience the rich cultural heritage of their own country. While this would have an initial cost to the exchequer, it would benefit hundreds of small, Irish-owned cultural attractions and also Government-funded OPW heritage sites. Appreciation of our culture and heritage is of fundamental importance.

Fund after-school activities: Young Fine Gael believes that prescribed after-school activities for children and teenagers should be subsidised and available in all areas of Ireland. Similar state-funded after-school activity programmes in countries such as Iceland¹⁷ and Finland have been shown to dramatically reduce anti-social behaviour, drug taking and substance abuse. In Ireland, many after-school activities are, at present, often expensive and out of reach of children from lower socio-economic backgrounds. As well as the social benefits of providing affordable and quality after-school activities for children and young people, it also provides an excellent opportunity to immerse children in Irish culture and art in all its forms.

¹⁷ Kristjansson, A. L., James, J. E., Allegrante, J. P., Sigfusdottir, I. D., & Helgason, A. R. (2010). Adolescent substance use, parental monitoring, and leisure-time activities: 12-year outcomes of primary prevention in Iceland. *Preventive medicine, 51*(2), 168-171.

Additional supports for tourism: Young Fine Gael calls on the government through Fáilte Ireland to provide additional programme supports to businesses in the tourist industry to help them face the challenge of Brexit. The weakened sterling against the euro is making it more expensive for British tourists to travel to Ireland. This is very concerning for tourism here as about 40% of our total foreign visitors come from the UK. To keep these numbers from dramatically falling, Fáilte Ireland and the tourism sector in general need to be proactive in their approach to ensure that the tourism industry can continue to grow and develop.

Reducing Child Poverty

“The code of our humanity is faithful service to that unwritten commandment that says we shall give our children better than we ourselves receive” Jed Bartlett, The West Wing

In Ireland, the group most likely to be in poverty or at risk of poverty are children¹⁸. 18% of households are jobless, which is worryingly high. Young Fine Gael aspires for Ireland to be a country where every child and young person is afforded equal opportunities, and enterprise is rewarded. Therefore, we would like to see barriers for people in work removed and the number of jobless households radically reduced as this can have a real and substantial impact in reducing child poverty.

In line with these aims, Young Fine Gael calls on the government to;

Invest in services rather than cash transfers in an attempt to reduce child poverty: At the moment, 75% of our spending on children¹⁹ is in the form of cash transfers while 25% goes on services. However, in countries with low levels of child poverty – for example Denmark, which has the lowest levels of child poverty in the OECD—money is spent 60:40 in a ratio of services to cash transfers. In practice, this may mean leaving the Child Benefit rate static and raising the amount of money spent on services such as speech and language services, adult literacy programmes and child psychology and assessments services.

Continue to expand the Affordable Childcare Scheme: The prohibitively high cost of childcare remains the single greatest barrier to work for all families, and disproportionately affects women and single parent families. Young Fine Gael calls on the government to increase the targeted subsidy itself along with the number of families who can qualify for it. Young Fine Gael further calls for an increase in the age bracket for accessibility for the universal subsidy from the current upper limit of 3 years up to end of a child completing their primary school education.

Invest in social work training: The shortage of social workers dedicated specifically to children in difficult circumstances is a huge issue and Young Fine Gael calls on the government to make more training places available and remunerate posts sufficiently. At the moment, it takes a huge number of voluntary hours—approximately 800—in order to be accepted onto social work Masters courses. This has a huge impact on the number of students choosing to become social workers and also

¹⁸ SILC Report 2016/2017

¹⁹ OECD Report on Family Spending, accessed at <https://data.oecd.org/socialexp/family-benefits-public-spending.htm>

excludes those from lower-socioeconomic backgrounds or those who cannot rely on the financial support of family.

Transport

'Transportation spending is a win-win proposition' Tim Bishop

Transport is fundamentally important to the sustainable and well planned growth of our cities. The provision of efficient public transport allows people to commute to and from work, college, etc. with relative ease and drastically reduces our carbon emissions by taking thousands of cars off the roads for rush hour commutes. The availability of good quality public transport impacts to a greater extent on younger generations who may not be able to drive or afford a car. Outside of the cities, Young Fine Gael welcomes the Cork to Limerick motorway and believes that this connection between the second and third largest cities in the country will hugely benefit both regions and allow them to further develop as counter balances to Dublin. Other projects such as the Macroom Bypass, the Dunkettle Interchange and the Galway City Ring Road will help to relieve transport blackspots in particular areas of the country. Young Fine Gael welcomes the National Development Plan's proposals on transport including the €5.7 billion commitment to national road schemes along with substantial investment in our bus, port and rail facilities.

To encourage and incentivise further use of sustainable forms of transport, Young Fine Gael proposes the following:

Bike to College scheme: Young Fine Gael proposes the introduction of a bike to college scheme for third level students. The scheme will be based on the current cycle to work scheme with this scheme's aim to provide discounts to students who decide to purchase bicycles for their daily commutes to and from college. This discount will be a VAT refund on the purchase price of the bike plus any necessary equipment. The refund will be processed by the student's third level registration office once a receipt and valid student card are presented. This will help to reduce the costs faced by students when attending college and also plays a role in the Healthy Ireland initiative.

Rebate for shower facilities: To encourage cycling, Young Fine Gael proposes that businesses and schools who install shower facilities for cyclists will benefit from a tax rebate scheme on expenses incurred on the upgrade. This incentive will encourage employers and schools to provide facilities for those who wish to cycle to work and school.

Provision of Bike Lanes: In order to support continued efforts towards safer roads, Young Fine Gael calls on the Government to commit to continue the expansion and upgrade of bicycle lanes nationwide. Designated bicycle routes will also support tourism and play a role in the Healthy Ireland initiative.

The Presidency

'I do not run for the presidency merely to oppose any man, but to propose new policies. I run because I am convinced that this country is on a perilous course and because I have such strong feelings about what must be done, and I feel that I'm obliged to do all I can' Robert Kennedy

In order to ensure the legitimacy of the office of the President, modern and pragmatic updates are required. The Office of the President in Ireland has served a significant role in advocating for equality and transparency. It is therefore fitting that the Office of the Presidency display leadership in demonstrating accountability for the expenses incurred by the role. The beginning of a new Presidential term in November 2018 means now is the ideal time to put these new changes into action.

To further this goal of transparency, Young Fine Gael proposes the following:

Transparency in the Áras: Young Fine Gael proposes that the Office of the Presidency should become subject to the Freedom of Information (FoI) Act. In order to maintain the transparency of the State and its operation, Young Fine Gael believes that the travel costs and expenses incurred by the President of Ireland should be made available to the public.

Salary of President: Young Fine Gael proposes that the salary of the President be reduced to €200,000. The President of Ireland is currently the 10th highest paid Head of State in the world. Due to the relative size of Ireland, Young Fine Gael believes that the current salary of the President of Ireland is disproportionate and a salary decrease of 20% would not deter the most suitable and deserving candidates from putting themselves forward.

Science

'The science of today is the technology of tomorrow' Edward Teller

Access to knowledge and leadership in innovation will ensure that Ireland is equipped for progress throughout the 21st century. Without efforts towards developing sustainable, innovative regions, Ireland as a whole will not retain home-grown talent, nor attract innovators from abroad.

Membership of CERN: Young Fine Gael calls on the government to allocate funding for the cost of the membership fees to become a member of the European Centre for Nuclear Research, more commonly known as CERN. The cost to the State of joining CERN stands at a minimum of €1 million a year, with full membership rising to €10m per annum.²⁰ Membership will place Ireland at the heart of cutting edge scientific discovery and will give Irish scientists and engineers the freedom to apply for positions at their world-renowned research centre. CERN membership will give ICT and Engineering companies in the Republic of Ireland the opportunity to bid on contracts for the research laboratory.

Increased funding for STEM education: Young Fine Gael calls for increased funding in Science, Technology, Engineering, and Maths (STEM) education because of the impact this sector can have on addressing global issues and challenges such as climate change and renewable energy. This increased funding will, as a consequence, increase the amount of STEM graduates that are urgently required in our economy.

Community Based Research Grants and Studentships: Young Fine Gael calls on the Government to allocate funding for collaborations between local, community-based groups, companies and researchers engaged in Third Level Institutions. Researchers would be given the opportunity to

²⁰ <https://www.rte.ie/news/2016/1027/827386-cern-membership/>

examine local communities and their behaviour in order to affect positive social, environmental or technological changes for that area. Supported by a third-level institution, participants would be eligible to receive a Level-9 or Level-10 qualification. Examples would include: the development of 'self-sufficient' communities, local deployment of interconnected devices as a test bed for the Internet of Things (IoT), studies on transportation flows and what is required to transition from dependence on classic petrol/diesel private vehicles in a local community specific context.

Living with a Disability

'My disability exists not because I use a wheelchair, but because the broader environment isn't accessible' Stella Young

People with disabilities face daily challenges and barriers to life that people without disabilities do not experience. It is our duty as a society to ensure that these barriers and challenges are minimized, to allow each and every individual equal opportunity and access to services, employment and quality of life.

To further this, Young Fine Gael calls for the following;

Employment for the disabled: Young Fine Gael supports the new timetable by the National Disability Association to double the number of people with disabilities working in large State agencies from 3% to 6%. The Irish Wheelchair Association has stated that more than two-thirds of adults with a disability are without employment. The Government agreed to double the number employed by 2024 but the National Disability Association wants the increase to be achieved by 2023. Young Fine Gael believes that tax incentives for employers perhaps in the form of a tax rebate on the purchase and installation of equipment and facilities for people with disabilities might further encourage employers to consider employing people with disabilities. Young Fine Gael further calls for increased promotion of the wage subsidy scheme that offers financial supports for employers who employ disabled people.

Funding to fulfil UN Convention: Young Fine Gael calls on the Government to answer the Centre for Independent Living's requests to increase funding for the provision of Personal Assistants to assist people with disabilities and empower them to live outside care facilities. The vast majority of people who have a PA service get less than three hours a day. The lack of PA services has led to people becoming trapped in care homes when they could be living their lives independently with the appropriate support. While Ireland has ratified the UN Convention on the Rights of People with Disabilities, we need to increase supports to enable people to live independently in order to fulfil Article 19 which states that countries will ensure: "Persons with disabilities have access to a range of in-home, residential and other community support services, including personal assistance, necessary to support living and inclusion in the community, and to prevent isolation or segregation from the community".

Acknowledgements

The Young Fine Gael National Executive would like to thank the policy committee, chaired by the Director of Policy, Daniel Lynch for the development of this submission. We would especially like to thank the policy committee members Imelda Minnock and Vera O’Riordan for their substantial work on this submission along with the other members of the committee, Liam Byrne, Ronan Doheny, Jack Follis, Stephen Shine, Sean Molloy and Garry O’Sullivan.

Further to this, we also wish to thank any Young Fine Gael members that contributed in any manner towards the writing of this document.



YOUNG FINE GAEL

**Fine Gael National Headquarters,
51 Upper Mount Street, Dublin 2
Phone: 01 619 8444 Email: yfg@yfg.ie
Web: www.yfg.ie**