



# **RESISTING 'BUSINESS AS USUAL'**

## **An Alternative Programme for Ireland, 2020-2025**

The Programme for Government which has recently been agreed between Fianna Fáil, Fine Gael and the Green Party has come against the backdrop of an alarming global crisis. The global economy is predicted to contract by 3% in 2020, and the Irish economy is set to contract by 10.5%. The current government estimates that the economy may have contracted by 21% in April. Just under 30% of the adult population are currently classed as unemployed.

Meanwhile, the challenges which existed prior to the epidemic have not abated – Ireland's total failure to prepare for or mitigate the looming climate crisis, and the 100,000 people on the country's housing lists, to name just two. Ireland, almost unique amongst developed countries, has never developed real, added value, industries which provide decent jobs, and has never built a comprehensive welfare state.

Unfortunately, the Programme for Government which has been announced fails in any meaningful way to tackle these enormous challenges. It substitutes meaningful changes to democratize our economy with handouts for private business. Its housing programme continues to rely on profit-driven private developers, and its environmental programme is limited to agreement on targets, with no detail on how these will be met – or how meeting them will be done in a way which is socially just.

These limitations mean that, for the incoming Fianna Fáil – Fine Gael – Green coalition, the recovery from the crisis our country now faces will inevitably be one of austerity, or failing public services, and of unemployment and precarious work. This must be resisted. As with the 2008 banking crisis, austerity is not the only option. Indeed, far beyond its devastating social consequences, austerity has been a key factor in why the real Irish economy, and the wages of workers, have never recovered from the 2008 crisis.

The below Programme sets out an alternative to this austerity, and to the 'Business As Usual' approach of the incoming FF-FG-Green coalition.

# 1. A public economy for recovery

It is unsurprising that Ireland is poised to suffer a worse recession in 2020 than many developed economies. Following the 2008 banking collapse, Fianna Fáil, the Greens, Labour and Fine Gael “rebuilt” the economy on exactly the same unstable footing – one which produces little of real value, which keeps the cost of living high to satisfy the landlord class, and which depends upon the whims of global finance capital and property development for its survival.

Private companies are already demanding – and already being granted – enormous subsidies and state handouts in order to stay afloat. In Ireland, the temporary wage subsidy scheme alone will cost €4.5 billion for just three months. If the state is going to pay the price for this crisis, we must ensure that we retain control of industries as we emerge from the crisis – and ensure they are developed in a way which increases the quality of jobs, the value of our economy, and the country’s environmental sustainability.

In a number of European countries, state-owned, productive enterprises operate at a large scale. In Finland, for example, a 100% state-owned company provides IT support and modelling, computing and information services for academia, research institutes and companies in Finland.

Ireland has the lowest amount of state enterprise of any country in the EU. The Workers’ Party wants to change this through strategically growing the public economy, to stand up to the domination of corporations in Ireland.

The Workers’ Party will develop the Irish economy through public investment in new, state-owned companies, beginning in areas where the private sector has blatantly failed. Some examples might include:

- i. A public **construction company, with the people as the shareholder**, big enough to be capable of driving down the costs of construction and housing
- ii. A public company for the **manufacturing of generic pharmaceuticals**
- iii. The creation of a **publicly-funded pharmaceutical research institute**, and the direction of all public pharmaceutical research budgets into it - or allied public universities - and away from Big Pharma.
- iv. Using the existing skill sets among the Irish workforce in the Pharmaceutical and Medical Devices sectors to develop a state-owned Medical Supplies industry in this country.

In terms of financing this economic transition, the next government should form an alliance with other indebted / peripheral countries within the EU, to negotiate **a collective financing mechanism that will avoid austerity** and ensure the cost of recovery is spread evenly, over a long period of time, and according to ability to pay.

Suggesting countries' financial responsibility should be determined by the number of cases they have ignores the fact that some countries were better equipped to respond because of learning from countries which were affected earlier.

## **2. Building public banking**

A state investment bank is crucial to enabling the growth of the productive, public economy. Minister for Finance Paschal Donohoe has admitted that, given the recession we are entering into, the state will not recoup its investment in AIB and other banks any time soon.

The absence of any real public banking system in Ireland is a major impediment to growing the public economy. An immediate first step to redressing this fact is to halt the sell-off of AIB, to retain it in public ownership, and to begin using it as a true, public interest bank, to invest in the public economy.

**The next government should retain AIB** as a publicly-owned bank, to be used to drive investment in and lending to the public economy. It should be used to invest in strategic public enterprises that benefit us, the people. In areas like pharmaceuticals, like green and advanced technologies, Ireland has a real skills and infrastructural advantage which could enable us to build profitable, publicly-owned companies, whose revenues create good jobs and help fund our public services.

## **3. Public Healthcare**

The Irish Healthcare system is primarily funded either by the State (73%) or families/individuals (12%). The private insurance companies, despite their exorbitant fees and high subscription numbers, fund a mere 14% of healthcare in Ireland in an average year. But despite its minimal contribution to the overall health budget the private insurance sector, in alliance with the private hospital owners' cartel and a very influential cohort within the upper echelons of the medical profession, have managed to exert an undue influence on public policy.

The Covid-19 pandemic, both in Ireland and across the world, has shown that the private sector is neither able or willing to respond to a major public health crisis. Dealing with such a crisis is, basically, contrary to their profit maxim. We have seen that those countries with a strong and properly funded public health care system have the ability to deal with this pandemic including the ability to provide all necessary care including, where necessary ICU care.

In Ireland, in order to prepare for the pandemic, the state essentially nationalized the private hospital system, even if on a temporary basis and for a cost not yet established. This is the first time, in the entire history of the state, in which hospital care can be provided on the basis of medical need and not on the basis of the money in one's pocket.

It is clear that, when the political will exists, it is totally possible to have a single-tier health care system which is geared to meet the medical needs of the people of this country without reference to wealth or income. Therefore we believe that a major component of the government formation negotiations, and a major priority for whatever government is eventually formed must be to build on the initiative taken at the start of this government's crisis-response and build a unified, single-tier health care system free at the point of delivery.

The Workers' Party is committed to a New Direction for health and social care services in Ireland.

This includes:

- i. Introducing a universal publicly funded health system through general taxation and free at the point of delivery model of Health and Social Care Services.
- ii. Developing a cohesive health and social care strategy, including community care, which, as a primary political priority, tackles existing health inequalities and accords a proper level of funding to meet the needs of all citizens.
- iii. Ending all State subsidies to the private health care sector, including the insurance sector, and ending all HSE contracts with private for-profit organisations.
- iv. The State directly employing staff to carry out all health care roles.
- v. Introducing a direct state contract for General Practitioners and consultants which precludes them from working outside of the public health care system.

## **4. Free Public Childcare**

Relying on the market has directly led to the spiralling costs of childcare in Ireland. We now have the fourth-highest net cost of childcare as a percentage of family income in the OECD. For lone parents, only the US and Canada have higher childcare costs.

The cost of childcare is a huge burden on working families and parents, and often means that taking up employment is unaffordable, pushing some parents out of the workforce. It has also meant that there is little planning – unlike at primary or secondary level, where the Department of Education and Skills uses a demographic model to assess where we will need schools now and into the future, the market model leaves us with vacancies in some areas and over-subscription in others.

And it's not the workers who are making profits off this system. Another innovation of the market model is that it has led to low-paid, precarious employment for a skilled and almost-entirely female workforce.

Childcare and preschool matter in childhood development and they are an important factor in women's ability to participate in the workforce and access education and training. Instead of squandering potential, let's develop it.

Our proposals

- i. Childcare and pre-school education should be viewed as part of a mainstream education system that aids a community's development and resources.
- ii. **Childcare services must be free at the point of service** and universally accessible.
- iii. The system needs to be both planned and accountable. Planning and funding should be organised centrally through either the Department of Education and Skills or the Department of Children and Youth Affairs, with local government taking responsibility through the local joint ETB/County Childcare Committee.

## 5. Environment

The Workers' Party believes that there is no role for profiteering in our efforts to safeguard the planet and meet our climate targets. 'Incentives' and 'tax breaks' for industry are too unpredictable and slow, and in any case too weak to affect the fundamental issue. Furthermore, allowing private industry 'do' green transition as they want to will inevitably mean workers paying a price.

The Workers' Party will promote a planned, state-driven transition to a green and environmentally sustainable Ireland, including:

- i. A **"Green Quantitative Easing" programme**: Ireland should drive a Europe-wide investment drive in Green technologies and industrial transition, funded by public investment and focussed on public and cooperative industry. This should be matched by an end to public investments in fossil fuels.
- ii. The establishment of **'ESB Mark 2'** – a new state energy company tasked with fully decarbonising the Irish electricity grid by 2035.
- iii. **Harmful environmental practices must be ended, not simply made more expensive. It is not right that the rich should be able to buy items which are ruining our environment.** This means, instead of taxing fossil fuels, phasing out their use for electricity generation by 2035 - and investing public money in the alternatives. It means outlawing the use of non-recyclable packaging materials and 'planned obsolescence' in technology - not just taxing consumers to dispose of waste. It means massively reducing reliance on cars, providing free public transport, and moving freight from road to rail.

- iv. **A Just Transition** must be more than lip service. IT must mean that the new industries we need to tackle climate change provide unionised, secure, well paid and meaningful work. One example of how to do this is our proposal to **transition Bord na Móna into a state-of-the-art public national recycling facility**, responsible for the collection and management of all recyclable material, as part of a broader policy to bring waste collection back into public ownership.

## 6. Food Security

Over the last few years, following both the Paris Accord on climate change and the more recent world-wide campaigns on the climate crisis the issue of sustainable food production and the reduction of air-miles in the food we consume has been pushed to the forefront of public debate.

Over the last three months the Covid-19 pandemic has highlighted the overwhelming importance of secure supply chains for all essential goods but specifically for our food supply.

Ireland, in light of our relatively low population density, climate, and ratio of arable land per person should be able to achieve a high level of food security. Clearly there are crops that are now integral to our diet which cannot be produced in Ireland. These include all those products that require either a Mediterranean, Tropical or Sub-Tropical climate and range from rice and tea to citrus fruits and wine.

However, excluding those products those products that cannot feasibly be produced in this country, we still have a dangerous lack of food security in many of the staples which this country has traditionally produced and is still capable of producing if government policy allowed.

Ireland's agriculture is dominated by cattle production whether for the dairy sector or for beef production. For example, in 2014 Gross Agricultural Output (GAO) was valued at €7.06 billion with dairy accounting for 35.2% and beef accounting for 33.9% of the value. This total output of 69.1% contrasts sharply with the reality that in 2018 cereal production only accounted for 3.7% of total agricultural output (DFAM). However, even the dairy and beef sectors, widely touted as a major success for native Irish production is heavily dependent on imported. As well as importing most of its heavy machinery, fertilizer and fuel there is also the surprising fact that Ireland imported approximately 5.1 million tonnes of animal feed materials in 2018. Ireland is very dependent therefore on internationally produced grains, particularly from North and South America where production systems are based on GM production. Over 90% of the soya bean and 80% of the maize products imported from Argentina, Brazil, Canada and the USA are derived from genetically

modified crops. Approximately 2.7 million tonnes of these imports in 2018 were GM products, constituting over 50% of total feed imports. (Dáil Reports)

On basic food items the picture is no less depressing. In 2017 Ireland imported 72,000 tonnes of potatoes, 47,000 tonnes of onions, 29,000 tonnes of tomatoes, 23,000 tonnes of cabbage and 15,000 tonnes of lettuce in 2017. The total value of these imports was €175 million. (CSO) Ireland also imports the bulk of the grain needed both the brewing and distilling industries.

As part of the programme for a new government there must be a total rethink of the strategy for the future of Irish agriculture. The existing plans, Food Harvest 2020 and Food Wise 2025, both of which are largely based on a massive ramping up of the cattle-based sectors must be completely refocused.

Therefore, we propose:

- i. An **agriculture and food plan** which is balanced across all sectors and focusses on both **import substitution** as well as export markets, which will not only guarantee the livelihoods of the 170,000 plus people employed in the agri-food sector but will actually expand and secure those jobs for the future;
- ii. Specific attention to be given to the **production of tillage crops** for the human food chain;
- iii. The **re-establishment of a state-owned food processing company**, on the lines of the original Erin Foods before it was sabotaged by Fianna Fáil in connivance with Tony O'Reilly / Heinz Foods;
- iv. The banning of the importation of those GM modified crops and seeds which are proven to be environmentally or socially unsustainable, for use as animal feed. This would include those which create or increase pesticide / fertilizer dependence, or create / increase dominance of the multinational corporations through 'seed dependence', and should strategically **decrease Ireland's dependence on major corporations such as Monsanto**. Instead, such imports should be substituted with Irish-grown cereals and other fodder crops.
- v. An **increase in the production of malting barley in this country** so that the Irish brewing and distilling industries, both of which have a large export market and sell themselves on the genuineness of their Irish ingredients, have a guaranteed supply of this basic ingredient and producers have a guaranteed price for their product;
- vi. An **increased level of Departmental inspection of the agricultural sector** both to ensure health and safety for all self-employed or employed personnel, but specifically to also ensure the proper wages and conditions of part-time works and seasonal workers;
- vii. A redistribution of the massive level of **subsidy presently given to the horse racing industry and greyhound industry** to productive agricultural activity.

## 7. Housing

A massive state housing programme provides an ideal opportunity to fast track growth in the Irish economy in the wake of the Covid19 crisis. These are our proposals to tackle the housing crisis:

### i. **Build Public Housing on Public Land**

- End the sell-off of public land to private developers. Public land should only be used to build mixed-income public housing – rented to a mix of people, paying according to their income.
- Establish a state housing corporation to fund and construct mixed-income public housing along the lines of the Workers' Party's Solidarity Housing proposal.
- Solidarity Housing proposes a radical widening of public housing provision to cater for a greater range of households, paying according to their income.
- For all new developments, provide green space, infrastructure, and amenities, before housing is built.

### ii. **End Landlord Rule – Rights for Renters**

- Introduce leases of indefinite duration in place of the current system of Part IV tenancies (where landlords can evict tenants without reason every 4-6 years). Any new tenancy signed would only come to an end when the tenant chooses, and fixed-term leases would only be granted (by the Residential Tenancies Board) in exceptional circumstances.
- Introduce anti-eviction legislation, including ending the loopholes which allow evictions where the landlord or their family want to move in.
- Introduce a ten-year cap on current rents
- Establish a rental index setting the maximum rent for a one-bedroom property at a third of the current average wage and reducing rents for existing tenancies.
- Establish neighbourhood rental tribunals, under the auspices of the Residential Tenancies Board, where tenants can challenge unaffordable rents
- Make landlords - not tenants - pay for improvements to rental properties.
- Establish a Tenancy Protection Fund (to fund repairs where landlords refuse to do so) paid for through collecting a landlords' income levy, and set up the Deposit Protection Scheme.

### iii. **End 'AirBnB' rentals other than principal primary residences.**

### iv. Hold a referendum to give people a say in **whether or not public land should be sold off** for private profit.

- v. **End build-to-rent:** end the current practice of large housing developments being constructed on a rental-only basis which merely feeds the financialization of housing need but actively works against security of tenure for tenants and particularly acts against the needs of families.

## 8. Peace, neutrality & global solidarity

Over the past decade, Fine Gael governments have done everything in their power to deepen Ireland's relationship with and links to NATO, and the further militarisation of the European Union. Meanwhile, from Libya to Syria to Venezuela, the European Union has given its blessing to US-led regime change. Ireland's neutrality is being entirely eroded.

The Workers' Party's proposals:

- i. **Oppose PESCO** and end all Irish participation in EU common defence and security policies including Partnership for Peace.
- ii. **End all cooperation with NATO**, a front for US domination in Europe, and global imperialism.
- iii. Ensure Irish and European aid and trade policy is rewritten, to serve **global solidarity** and workers' rights – not big business:
  - End the funding of those NGOs which act as a covert mechanism for imperialist influence.
  - Shift the balance of funding of EU aid policy towards bilateral support for industrial development.
- iv. End the use of Public Private Partnerships, blended aid and other private finance mechanisms within EU aid policy.
- v. Ensure all trade agreements prioritise workers' rights, environmental protection, health & safety and democracy, and oppose any form of corporate parallel court system.

## 9. A new Workers' Charter

Successive Irish governments have embraced pro-business deregulation, with Ireland languishing at second from the bottom of EU-15 countries in terms of trade union coverage. Only 44% of workers in Ireland are protected by a trade union.

As a Workers' Party, our job is to do everything in our power to ensure workers wages are driven up by pro-trade union regulation – and never manipulated down to the lowest common denominator. This is what workers from Bulgaria to Greece to Ireland deserve.

We want a **new Workers' Charter** including:

- i. A legal definition of a worker, to **clamp down on bogus self-employment**;

- ii. The introduction of **full collective bargaining** protections
- iii. **The replacement of the 1990 Industrial Relations Act** with legislation which protects striking workers, trade union members and trade unions against employers
- iv. A **new public pension scheme** to ensure everyone can retire with dignity at 65
- v. Ensuring **safe social distancing in the workplace** by increasing resourcing for the Health & Safety Authority, and by ensuring workplace social distancing representatives are elected and protected under legislation.
- vi. The introduction of a 25 hour maximum working week, with all current full-time workers to be paid their current salary for this work.