

**Social
Democrats**

Affordable Lives

*Our plan to cut your
cost of living*

*Hope for better.
Vote for better.
Vote Social Democrats.*

#VoteforBetter

#SocDems

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Making Life Affordable

The cost of living in Ireland is too high. The lack of investment in public services means that services that the public can rely on in other countries, such as healthcare, transport, and childcare, must be paid for privately here. The lack of protection for consumers means that many of us pay very high bills for basic services such as utilities, waste, insurance and broadband. And, of course, we are living in the middle of yet another housing emergency where hundreds of thousands of people simply can't afford a home.

These costs make Ireland one of the most expensive places in the world in which to live. They add significantly to the cost base of the economy and undermine competitiveness. They make it harder to attract sustainable jobs and businesses. The Social Democrats are committed to tackling these high costs and charges. We want to drive down the costs of basic family bills and ensure that every arm of Government is playing its part in making this happen.

For the Social Democrats, the priority should be a society and economy where the cost of living is significantly reduced and people have far more money in their pocket on a daily basis rather than the usual budget promise of a couple of euro back by means of a small tax cut. The simple fact is there is no gain for a person in getting an extra €5 if basic household costs rise by more. Throughout our policy platform we have highlighted the critical need to switch to a system where investment in public services is the absolute priority of the next Government:

- We will focus on bringing down the cost of housing, insurance and energy bills.
- We will focus on providing parents with affordable childcare options.
- We will focus on reducing healthcare costs.
- We will focus on making primary and secondary education truly free.

Making Housing Affordable

Whether you are happy renting, own your own a home, or are saving to one day buy, the cost of keeping a roof over your head remains one of the heaviest burdens people face. For the second time in a decade, we are struggling through a savage housing crisis. Homes are unaffordable, rents continue to rise, and large numbers of first-time buyers are effectively locked out of owning a home.

As a key overall objective, the Social Democrats want to change our housing system around so that the clear aim is to **deliver good quality housing at the lowest possible cost to purchasers and renters, rather than the highest possible profit to developers and land speculators.**

Central to delivering housing supply is **prioritising the use of public land to build affordable and social housing.** We believe exploiting public land-banks should be the absolute priority of the next Dáil. Time and again we have seen that **the market cannot be relied upon to deliver housing people can afford.** Instead the State should, and indeed must, step in. Developing public land banks is the only certain way in the short to medium term of delivering housing faster and at affordable prices. The next Government must take the housing crisis by the horns and deal with it directly.

We will:

- Begin an **unprecedented programme of house building**, with the Land Development Agency being set a delivery target of 20,000 homes a year with as much front-loading as possible based on capacity. **This would deliver 100,000 homes over the lifetime of the next Dáil.** As outlined in our Alternative Budget 2020, we will increase capital spending to match this ambitious target.
- **On publicly owned land, we would build one third affordable purchase homes; one third affordable rent and one third social homes** to ensure sustainable communities and strong tenancy mix. This division will be kept under review to ensure those most in need of housing have a home.
- Contract builders to build on publicly controlled land to deliver social and affordable homes (for both purchase

and rent) in socially mixed communities on **sites that are developed to a masterplan with prices set in advance by the State using a Housing Delivery Agency**. This gives much greater control of the timing and price of new housing supply.

- **Deliver affordability by driving down the costs of building on public land by**

tendering for new housing at scale to take advantage of economies-of-scale, ensuring advanced planning permission, and having funding streams in place.

- These steps in place means that a multiplicity of builders can build on sites rather than developers, keeping costs low.

Delivering Affordable Homes

The Social Democrats would **introduce a new Affordable Housing Scheme**.

- We would use the **extensive residentially zoned public land that is available to public authorities to build homes** that are affordable to rent or buy. The O'Cualann model in north Dublin remains an excellent example of what can be done with the right kind of focus.
- We will also strengthen the hands of Local Authorities when negotiating the cost of Part V housing (both social and affordable) by providing that where developers are stalling in negotiations the local authority will acquire land from within that development from the developer within a specified time period.
- We would also introduce legislation to reform Part V of the Planning Acts to **reserve 20% of housing in private developments for affordable housing (in addition to the current 10% social housing)**. This will ensure a stronger social mix in private developments by updating legislation and Ministerial guidelines to ensure pepper-potting.
- This new scheme would also provide clear guidance for local authorities and Approved Housing Bodies as to **how cost rental and affordable purchase schemes should be allocated**, particularly in regard to how we assess what people can afford

Bringing Rents Under Control

In recent years, private rent prices have increased to an astronomical degree. The most recent figures from the Residential Tenancies Board show that the standard rental property in Ireland now costs €1,243 per month, a 67% increase from their recent low of €745 in early 2012 (€498 difference). At the same time, average weekly earnings only increased by 10% over the same period, from €699 to €768 (€69 difference, or €296 in a month).

The Social Democrats propose, a complete freeze on all residential rents.

The current rent cap of 4% per annum is too high. It is five times the rate of inflation. It does not apply across the whole country and it has been too easily evaded by some landlords. Above all else, it hasn't worked. Rents remain at record levels and are rising by more than 4%, even in rent pressure zones. There is no justification for any further increases.

Other measures to lower the cost of rents include:

- We would like to see far greater commitment to affordable for-purchase housing schemes alongside **cost-rental projects** in the vein of the Vienna Model.
- The Social Democrats would legislate to provide for **indefinite contracts**, so that tenancies can't simply be ended at the end of each 6-year cycle.
- Introducing a **Deposit Protection Scheme** and a new legal definition of deposit to mean one month's rent.
- We would **limit the sale of property as a grounds for terminating a tenancy** by amending Section 34 of the Residential Tenancies Acts and update legislation to ensure that tenants of Buy-to-Let properties in receivership are transferred to the receiver and then on to a new landlord.
- We would **ban all sales of properties to vulture funds**, legislate to ensure that **no families can be evicted into homelessness**, and change the legal definition of a legal definition of landlord to include banks and receivers.
- Examine legislating to afford **greater protections to licensees** in tenancy situations.

- At present, tenants in home share situations where the total rent is above €2,500 face stamp duty on top of their rental bill. As rents rise, more and more renters will fall into this category. This is a grossly unfair tax and only makes a bad situation worse. We will **scrap this stamp duty**.
- **Establish a Rent Register** as proposed in our Residential Tenancies (Amendment) Bill 2018.
- Review of the **inspection system** to ensure good quality accommodation is available to rent.
- We will clarify the law to prohibit the practice of landlords who ask prospective tenants to bid on rents and introduce much clearer penalties for people soliciting bids on rents.
- We would **limit ancillary charges that landlords can apply** - such as bin collection and car parking that in some cases are being used by landlords to side-step current rent caps. We would also ban the taking of deposits to view properties for rent.

Lowering Your Household Bills

Tackling Energy Costs

Irish households pay some of the highest electricity costs in the western world. Over a million electricity and gas customers are not availing of the best offers for their household circumstances. The Social Democrats want to drive down the cost of electricity and gas bills by setting a far more aggressive approach for pricing and competition in the sector, and by investing in a new national retrofitting scheme for households.

We will:

- We will expand existing **retrofitting grant schemes** and introduce a pay-as-you-save home insulation loan scheme so even those without cash upfront, can avail of energy grants and pay over time through their energy bills. We would widen the benefits under the current scheme and set aside funding to recruit energy advisers to help households understand the benefits and savings of investing in their home and help them through the process.
- At household level, we would continue to support **grants for household solar panel installation**.
- We would expand the Commission for the Regulation of Utilities (CRU) to recruit additional staff and allow for a far more consumer-oriented approach to fair competition in the utilities sector.

Dealing with Waste Charges

Ireland currently does not have a dedicated Regulator to protect consumer interests in the waste sector. This means that the State has very little control over what waste companies charge or how fairly they deal with their customers or how competitive the market is. We need **a strong regulator that will put environmental standards, strong competition and fair pricing** at the heart of the waste industry.

We will establish the CRU as the interim regulator for the waste industry so that consumers can be adequately protected. This would also fund far better information for consumers on recycling and re-use to help bring bills down and protect our environment.

Protecting Consumers with Disabilities

It is important that we recognise that people with disabilities face specific disadvantages as consumers that may result in higher household bills, and therefore ensuring that all regulators have fair price protections in place for people with disabilities and that these protections are properly notified to customers and enforced vigorously by the relevant authorities.

Ending Healthcare Costs

Through the roll-out of Sláintecare, the Social Democrats want to significantly bring down healthcare costs. The full implementation of this cross party plan will bring down the cost of things like:

- GP visits;
- hospital charges;
- dental visits;
- prescription charges and the cost of medication to the health service through reform measures.

Most importantly, it will deliver a health service that we can depend on. One where patients will be seen quicker and **everyone will be treated according to their need and not their ability to pay**. This will remove the fear many people have about giving up expensive private health insurance.

Making Childcare Affordable

Childcare Costs

Irish parents pay some of the **highest costs in the world for childcare**. Despite some recent improvements, childcare remains a huge expense for many families. The Social Democrats have supported the recent introduction of the National Childcare Scheme. However, the scheme as currently constituted, falls far short of meeting the needs of those parenting and the very expensive costs of raising a family in Ireland. **For many Irish parents, especially those with more than one child, childcare represents the cost of a second mortgage.** In addition, many parents don't qualify for support under the scheme either because their income is not deemed low enough or their child is not deemed young enough.

These major gaps significantly raise the cost of living for such families and represent a very significant barrier to employment, especially for women and people parenting. **Parents have a right to expect that like other developed European countries, childcare should be accessible, affordable and adequately supported by the state.** However, the Social Democrats also recognise that it is **not just parents using the formal childcare sector who face high costs.** And neither are these high costs confined to just the youngest families.

Many families adjust their childcare arrangements as their families and work arrangements change over time. Many take time out of work to care for their family, use a Nanny/Au Pair, the formal childcare sector, or family members, or move in and out of childminding. Most of these choices entail costs, either directly or through **income-foregone**. So, it's **important that all childcare arrangements are respected and supported by the state.**

The Social Democrats will introduce **four key childcare measures** to help parents to support their families:

- As above, we will introduce **additional paid parental leave** from the end of maternity and paternity leave to the child's first birthday.

- We will provide a **new Early Years Payment to cover children from the end of paid parental leave until entry into preschool.**
- We will **significantly improve support under the National Childcare Scheme** to allow far more families with children under the age of 12 to qualify and to improve supports under the universal element of the scheme.
- Parents with young children who have not yet reached pre-school age would be given the choice of the Early Years Payment or assistance under the National Childcare Scheme.
- We would set aside funding to ensure that no parent is worse off when transferring from existing community childcare subvention schemes to the new National Childcare Scheme
- We will **improve direct funding to the childcare sector to help improve employment conditions and training, and to improve sustainability.**
- We will also seek to reduce the administrative burden on the sector through direct assistance from County Childcare Committees.
- We will **deal with insurance hikes in the sector through significant reform of Ireland's claims regime and the regulation of insurance companies.**
- We will introduce a single Early Years and School Age Childcare Agency. If childcare fees continue to increase in line with subsidies, we will introduce measures to cap them.

It is the long-term aim of the Social Democrats to **establish a national public childcare service** and as a first step we would **pilot this public provision** of childcare in areas where there are the most acute shortages.

Reducing the Cost of Education

Make Primary and Secondary Education Truly Free

The Social Democrats are committed to the introduction of **truly free Primary and Secondary Education**. This would mean investing in schools to improve school capitation grants, school transport, and book schemes to ensure that schools **end the practice of seeking voluntary contributions from parents**.

We will:

- **100% public funding of school books, the school transport scheme, and classroom resources.**
- Seek an **end to the state subsidy of fee-paying schools** over the course of the next Government.
- **Abolish voluntary contributions** for families.
- Restore capitation payments to 2010 levels.
- Legislate to ensure all school uniforms and other requirements are affordable.

Tackling Third Level Fees & Improving Supports

We will:

- **Reduce third level fees** by phasing out the student contribution charge.
- Reduce the 'no maintenance support' area of students' commute from 45km to 25km.
- **Increasing funding to the SUSI grant scheme** by 7%, and eliminate the delays in payments which cause significant stress and hardship for students.
- **Reinstate maintenance grants** for post-graduate students.
- Recognise the work of Postgraduate Research Students and guarantee fair pay and working conditions.

Dealing with Transport Costs

The cost of transport and commuting is a huge burden to many. Investing in public transport will not only put money back in people's pockets, it will also play a key role in our efforts to tackle the climate crisis.

We will:

➤ **Reduce Public Transport Fares**

The Social Democrats have long been committed to **lower transport fares**. The cost of travelling on public transport in Ireland is too high and is often substantially more than the marginal cost of making the same journey by car. This incentive does not work in the public interest. We will **invest substantially in additional public transport subsidies so that fares can be reduced**.

We are also keen to **examine alternative no/low-fare models**, such as exists in Luxembourg, Estonia, Germany, Austria etc. In Government, the Social Democrats will establish a no/low fare pilot in a large town or city, for example Galway, to examine how such a scheme could best work in Ireland.

➤ **Increase funding for Local Link to €100m**

Local Link is vital for rural Ireland but also for the overall sustainability of our public transport system. It helps alleviate rural and urban isolation for older members of our communities,

who may no longer be able to drive themselves.

It acts as a small, community-based bus service to transport children to school and can help foster a sense of independence in children and mean that parental traffic is reduced. It encourages shopping locally and reducing the need for car parking. And of course, there are considerable climate change mitigation benefits. Current funding, standing at €21m, is completely insufficient to develop a strong and reliable Local Link network.

The Social Democrats would **increase funding for Local Link to €100m and seek to improve this over time**.

➤ **No more Privatisation**

Public Transport is a public good. The Social Democrats aim to keep it that way. **We will oppose any attempt to privatise bus routes.** At the same time we will insist on very high customer services for all operators. Public bus routes can only be sustained if they provide a reliable service that people can depend on and value.

In particular, we are keen to see a vast improvement in the area of accessibility for people with disabilities. We will strengthen accountability by requiring public transport providers to account for local services and targets at monthly Council meetings.

➤ 4. Making Public Transport Truly Accessible

We are committed to making our public and private transport system fully accessible – in terms of fleet, stops, platforms and other access points. **We will improve regulations and funding conditions so that access to buses, trains, and taxis is vastly improved for people with disabilities.**

Making Insurance Affordable

Affordable insurance is fundamental to the long term interests of our country. High insurance premiums add very significantly to the cost base of our economy. The higher they go, the higher they push up all other prices and drive up the cost of living. Businesses fail, local services cease operation, and communities can't get insurance for events.

While the Central Bank has started to produce statistics and investigate the basis on which insurers have been increasing premiums, the Social Democrats are not satisfied that the Central Bank is sufficiently consumer-focussed in its approach. It **does not collect enough basic data** – particularly in relation to premiums. And it is not active enough in relation to vulnerable customers, market concentration, and market volatility in relation to insurance.

- The Social Democrats want to see a **new Consumer Affairs Committee established**, whose sole focus is on outcomes for consumers. Regulators should expect to have to answer far more regularly for their actions or inaction.
- Such a Committee can play a valuable role in bringing about accountability, and also highlighting where there are gaps in legislation or deficiencies in powers that are available to regulators

Motor Insurance

Despite reported falls in the cost of car insurance, it is still far too high. It is to be welcomed that action is being belatedly taken, however it is still not going far or fast enough. Central Bank statistics now show that motor insurance costs in Ireland have risen by 42% in the last decade despite a 2.5% reduction in the average cost of individual claims over the same period.

- The Government's **reform programme has been far too slow and ineffective**. The Social Democrats would introduce better settlement guidance for the judiciary to help reduce claims costs.
- We would **end discrimination against drivers of older cars** and new or **returning entrants to the insurance market**, improve non-litigation methods for claims settlement to reduce legal costs, and make it easier to switch insurers and thereby drive competition.

- We would also take measures to **tackle insurance fraud** and recruit extra Gardaí to better enforce road traffic law.
- The Social Democrats believe that the **Book of Quantum** should be recalibrated so that court awards are benchmarked against international evidence instead of simply Irish historical awards. This should help to significantly lower awards for minor injuries, help lower legal costs, create less of an incentive for fraudulent claims, bring Ireland into line with pay-outs in other countries, and, with better regulation, reduce premiums.

Home Insurance

Home insurance premiums also remain too high. While reforms listed elsewhere would help reduce premiums in this sector as well, there are still far too many households struggling to receive reasonable quotes due to the threat of flood.

- The Social Democrats would **boost funding for flood defences** to help drive down the cost of home insurance.

For full details of our proposals across many other related areas are available in our General Election Manifesto – ***Invest In Better*** www.socialdemocrats.ie/InvestInBetter



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