

Household Budgets - Tackling the Cost of Living



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 tens 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 faced every day by families. 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.

Here are some of the measures we are advocating to tackle the cost of living.

Promoting Competition, Consumer Rights and strong regulation

We would promote better competition by ensuring that all major consumer-focused companies, including those engaged in insurance, grocery chains, energy, broadband, waste disposal etc must publish details of the beneficial owner of the company and publish the full accounts of their Irish operations. It

is not in the public interest or good competition that such details are hidden from the public, policy-makers and competitors.

We would confer new market investigation powers on our proposed Independent Anti-Corruption Agency to do whole-market investigations. This would ensure that competition is working to drive down consumer prices. We would give powers to market regulators such as the Commission for Regulation of Utilities and the Central Bank to refer their industries for whole-market investigations, as in the UK.

We would encourage a far more aggressive approach by regulators to ensure that more people can avail of discounted offers from utility companies, broadband, telephone, mortgage providers, waste etc, and that vulnerable customers, in particular, are protected. We would ensure that double-charging is eradicated and that switching between providers is made simple and transparent for consumers.

We would establish a dedicated regulator for the waste industry with a particular focus on affordable pricing in the sector.

Healthcare Costs

Through the roll-out of Sláinte-care, the Social Democrats want to significantly bring down health-care costs, such as the cost of insurance, dental visits, GP visits, hospital charges, and prescription charges. Through reform, we want to bring down the cost of medication so that it is similar to levels in other countries.

Utilities

Irish households pay some of the highest electricity costs in the western world. Hundreds of thousands of 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, by investing in a new national retro-fitting scheme for households and small businesses, and by supporting the development of indigenous renewable energy.

Transport

Ireland has one of the lowest subsidies for public transport in the developed world and this is why public transport fares are so high. The Social Democrats would significantly boost subsidies for public transport so that fares can be reduced.

Children and Childcare

We would introduce paid parental leave so that a parent can spend the first year caring for their child. We would extend the right to unpaid parental leave to those parents who wish to avail of it (and thereby bring down childcare costs). We have published the Parental Leave (Amendment) Bill 2017 to give effect to this.

We would provide a new Early Years payment to cover children from their first birthday to entry to preschool. We would also improve direct funding to the childcare sector to help improve employment conditions and training and to improve sustainability.

We would significantly improve support under the affordable childcare scheme. Parents would be given the choice of the Early Years payment or assistance under the affordable childcare scheme.

Housing

We will aggressively seek to bring down the cost of purchasing and renting a home.

We would cap all rents regardless of location, and legislate to ensure that future rent increases are linked to the cost of living and no more. We would update laws to provide far greater tenure security. We would introduce a deposit protection scheme and new laws to limit the amount of deposit that can be demanded by landlords. We would scrap the ridiculous stamp duty that applies to people sharing a house where the total rent is above €2,500 a month.

We would introduce a new affordable housing scheme and establish a new national housing delivery body with a specific remit to use public lands to deliver tens of thousands of new homes for affordable purchase, social and affordable rental.

We would promote much better competition in mortgages so that Ireland's very high variable rate mortgages are significantly reduced and it is far easier for consumers to switch.

See separate sheet on Housing for more details

Motor Insurance

Despite reported falls in the cost of car insurance, it is still far too high. The Social Democrats would introduce far better settlement guidance for the judiciary to help reduce claims costs, we would end discrimination against drivers of older cars, improve non-litigation methods for claims settlement to reduce legal costs, take measures to tackle insurance fraud, and recruit extra Gardaí to better enforce road traffic law.

Education

We would invest €103m in education supports so that parents would save on the cost of school books, school transport costs, "voluntary contributions" etc and make primary school education truly free.

We would also reduce third level fees and improve supports to students to ensure greater access.

Message to Members:

We are constantly developing policies, press opportunities, Bills, and new approaches to the Cost of Living and Household Budgets. If you have any suggestions for this area, we would greatly appreciate any input. Please e-mail any suggestions to policy@socialdemocrats.ie