

Green Party Employment Policy



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2 Vision Statement

In summary, this policy document aims to address some key issues within the area of employment within Ireland through a number of topics:

- Increase support for small & medium sized enterprises as they are the core driver of employment and innovation in Ireland.
- The preparation for and adoption of new opportunities for growth & employment created by the industries of the future.
- Address the skills gap in society and provide a means for people to gain the skills necessary to avail of opportunities.
- Working towards providing equal treatment between both employed and self-employed workers.
- A continued emphasis on skills, education and re-training to strengthen our knowledge based sectors & trades.

3 Policy Context

There are 139,100 people (6.3%) claiming unemployment benefits as of August 2017¹. Youth unemployment remains noticeably higher at 12.7% & is currently rising

The economy is growing but not everyone is experiencing the benefits. 8% of the population currently live in consistent poverty, which is double 2009 levels.²

17.3% of the Irish work force are self-employed³. Nearly 70% of the working population in Ireland are employed by Small and Medium Enterprises (SMEs)⁴

In 2016, small & medium sized technology enterprises raised €735M in investment from private sources. Only 7% of all investment raised was classed as early stage seed funding⁵ due to a lack of incentives for angel investors & early stage backers.

Ireland has the highest income inequality in Europe with the top 10% now taking 35% of all income & the top 1% taking 10% & this inequality is continuing to grow⁶.

Employment to population ratio is beginning to recover from a low in 2012 of 51.3%. The highest was before the crash in 2007 at 60.6%⁷.

More than 750,000 people in the Republic are living below the poverty line.⁸ 57.6% are not within the labour market as they are retired, students or are in caring roles.

Professional, scientific & technical activities employ more people than agriculture, forestry & fishing.⁹ The information & communication sector employs 85,200¹⁰ & contributes to €35 Billion¹¹ (15%) of GDP. Agriculture, forestry and fishing employs 109,300 and contributes 1.6% to Irish GDP¹²

It is estimated that between 25%-33% of all jobs existing today in the will no longer exist in 20 years¹³. Sectors most likely affected are Transport, Retail & Manufacturing

1 <http://cso.ie/en/releasesandpublications/er/mue/monthlyunemploymentaugust2017/>

2 <http://www.eapn.ie/eapn/training/consistent-poverty-rates>

3 <http://www.tradingeconomics.com/ireland/self-employed-total-percent-of-total-employed-wb-data.html>

4 <http://www.intertradeireland.com/media/AccessToFinancereportFINAL10.01.14.pdf>

5 <https://fora.ie/venture-capital-funding-ireland-seed-2971985-Sep2016/>

6 http://www.tasc.ie/download/pdf/tasc_inequality_ireland_brief.pdf

7 <http://data.worldbank.org/indicator/SL.EMP.TOTL.SP.ZS?locations=IE>

8 <https://www.socialjustice.ie/sites/default/files/attach/publication/4471/2016-07-04-sjipolicybriefingpoverty2016final2.pdf>

9 <http://www.cso.ie/en/releasesandpublications/er/qnhs-es/qnhsemploymentseriesq12016/>

10 <http://www.cso.ie/en/releasesandpublications/er/qnhs-es/qnhsemploymentseriesq12016/>

11 <http://www.idaireland.com/business-in-ireland/industry-sectors/ict/>

12 http://www.indexmundi.com/ireland/gdp_composition_by_sector.html

13 http://www.oxfordmartin.ox.ac.uk/downloads/academic/The_Future_of_Employment.pdf

4 Supporting Indigenous Irish business

Due to the high percentage on multinational corporate employers, Ireland's GDP figures significantly vary from the GNP figures¹⁴ which are a more reliable measure of our economic environment. Fostering Indigenous Irish businesses to be successful internationally will ensure a robust economy that stands on its own merits.

Firms with less than 20 employees make up over 98% of the enterprise base and employ 44% of the workforce¹⁵.

Basing the Irish economy on highly mobile trans-national corporations is not a sustainable strategy going forward. International conditions can change and these corporations are not constrained to remain in Ireland. The Green Party endeavours to focus on investing and nurturing a diversified range of native Irish companies to be competitive in their own right in the global economy.

The Green Party seeks the equalisation of tax credits (including refundable tax credits), as well as unemployment and other social welfare benefits and PRSI rates, between employed and self-employed people.

The Green party supports the introduction of a share-based employment scheme to provide incentive to employees with company ownership to empower them to push for company success for themselves, not just their employers. This has been shown to have the added benefit of increasing overall worker productivity.

The Green Party supports the introduction of an enterprise mentoring voucher to help provide start-ups access to high quality business advice from private individuals who have relevant industry experience and guide new entrepreneurs around hurdles encountered when setting up their first business.

R&D rebate return time reduced to a year from the current three-year cycle¹⁶ to speed up the funding and return rate of private research endeavours.

The Green Party supports a greater emphasis on allowing greater SME competition for public service contracts via a Public Procurement Ombudsman.

The Green Party calls for an increase in the number of double taxation treaties with foreign nations to further encourage international trade and multinational investment.

The Green Party supports providing tax back assistance on employee wages for companies under 3

¹⁴ <http://www.competitiveness.ie/Publications/2015/Ireland%20s%20Competitiveness%20Scorecard%202015.pdf>

¹⁵ <http://www.cso.ie/en/media/csoie/releasespublications/documents/otherreleases/smallbusiness08ed.pdf>

¹⁶ <http://www.irdg.ie/wp-content/uploads/2013/01/RD-Tax-Credit-Guide-rev-1.pdf>

years old to aid new companies to afford employment and expansion in their early stages when they do not have access to the resources and capital larger established companies already have in an already highly competitive marketplace. This will improve job security for early employees at these companies where joining a newly formed company is a risky proposition compared to taking up employment at established multinational corporations.

The Green Party supports a capital gains tax roll-over relief for successful company venture exits that are then reinvested into further early stage investment into Irish start-ups.

The Green Party supports a capital gains tax exemption for the Employment Incentive and Investment Scheme (EIIS) in order to encourage investors to finance start-ups for backing projects they may otherwise view as too risky but still have valuable merits if they are successful.

The Green Party supports an increase on the cut off rate for the lower 10% capital gains tax rate on first 5 million on exit after 5 years. Also, the removal of CGT on the first €200,000 in gains within an individual's lifetime. This tax reduction would be of significant benefit to small companies while only marginally affect large multinational corporations.

The current status of the “Competitive Start Up Fund” requires addressing. The current model provides start-up funding up to €50,000 in return for 10% stake of a company. By international standards this is a high percentage of ownership taken from aspiring entrepreneurs at a very early stage. We seek to bring these figures to global average levels to ensure that companies with great potential remain in Ireland rather than seeking to start abroad where more favourable terms may exist. This way Ireland will see an increased return on investment through improved local employment.

5 Skills, education and trades

Ireland still has a relatively low level of participation in lifelong learning in comparison to many other countries in the EU. Over 40% of our male working age population are considered to be low skilled whereas the equivalent rate in Germany is 20%.

In addition, 17.9% of the working population are considered to lack functional literacy skills¹⁷ and 25% lack functional numeracy skills¹⁸. 42% lack problem solving skills in technology rich environments¹⁹. We must work towards improving these figures to ensure a capable workforce regardless of occupation.

90.6% of those who entered secondary school completed the Leaving Cert.²⁰

While Ireland has one of the highest levels of participation in third level education, we must also recognise that achieving a third level education is not a universally shared goal. The role that trades have in helping build the infrastructure we need to improve society must be recognised and support and incentivize their development.

Trade unions provide a valuable role in ensuring that workers' rights & interests are upheld.

These factors are important as it has been well established that the low skilled & those with a lower educational attainment are at greatest risk of unemployment in an economic downturn²¹. It is essential that in our increasingly knowledge based economy that everyone can maximise their opportunities through access to education, training & apprenticeships.

The Green Party supports an increase in funding to cope with the projected increase in demand & maintain standards at third level institutions, especially in the areas of research and development.

Ireland has one of the lowest rates of informal education in Europe. Ireland's 7.2% lifelong learning rate is less than half the benchmark set by the EU which aims to have 15% of adults aged 25-64 engaging in lifelong learning by 2021. The Green Party supports encouraging people to take up informal education through methods such as library usage and Open Online Courses to attain this goal.

The Green Party supports improving access to the student maintenance grant by opening the grant up to part time and short duration courses.

¹⁷ <https://www.nala.ie/literacy/literacy-in-ireland>

¹⁸ <https://www.nala.ie/literacy/literacy-in-ireland>

¹⁹ <https://www.nala.ie/literacy/literacy-in-ireland>

²⁰ <http://www.irishexaminer.com/ireland/school-dropout-levels-down-but-not-in-cities-310780.html>

²¹ <https://www.esri.ie/pubs/WP485.pdf>

SOLAS provides programmes for those in the workforce. It is essential that these continue but such is the accelerating rate of unemployment that new training opportunities. The Green Party seeks the development of renewable energy courses for manual workers in general as well as for skilled tradespeople.

The National Framework of Qualifications has provided a useful way of ensuring that courses provided are flexible and properly accredited. Rigidities however still exist with the vast majority of full-time courses starting in September. This might suit the second level student but is not a full solution for adults who may become unemployed at any time during the year. We welcome initiatives to allow students to join courses that have already begun their academic year to address this issue.

The Back to Education Initiative has successfully provided many educational opportunities on a part time basis at a local level with priority given to those who had not completed their second level schooling. We support this objective support augmenting it by extending the maximum allowable program duration above the current 17 hours per week limit.

The incentive for unemployed to return to education should be increased. We propose that the qualifying period for those who wish to avail of the Back to Education Allowance is reduced to six months for the third level option in the case of those who have not completed their second level education & up to six months for the masters' level option.

The Green Party supports the expansion of the number of apprenticeships available and their continued diversification across many different trades.

12,666 new residential housing units were completed in 2015. While this was an increase of 15% year on year, it remains far shy of the broadly acknowledged 25,000 units needed to meet housing demand. Also, it is expected that this target will not be met for another three years at a minimum. The current housing crisis is only expected to get worse in the near future due to this. Increasing of housing this will also aid in the employment of tradespeople to reach this goal.

6 Tackling unemployment

Work & employment should be reasonably well paid to enable workers and their families to provide for their basic needs and remain environmentally sustainable.

Social mobility correlates with equality in society. Progressive tax regimes will be much more beneficial as those who need support the most as they engender higher income mobility²².

On top of promoting a culture of reasonable pay for all, higher incomes should attract a higher rate of tax. This will directly lead to improved wage equality, promote social justice and curb excessive earnings.

Attempts have been made over the years to deal with the issue of the loss of benefits associated with the transition from welfare dependency to employment. The Green Party welcomes the increased uptake of the Family Income Supplement scheme in this regard.

The Green Party supports a tapering off of benefits rather than cut-off points, which place a psychological ceiling on the earning potential of low-paid workers.

We must continue to invest in appropriate support services for the unemployed to help them to progress by insuring that there is inter agency work at a local level. Currently the long waiting period to access their entitlements for unemployed people is most unsatisfactory.

The Green Party supports a back to work scheme for single parents who wish to reenter the workforce in higher skilled sectors.

Voluntary work should also be encouraged as it can provide benefits such as keeping active, foster a community spirit among the unemployed and learn new skills²³. The development of a network of Volunteer Centres throughout Ireland in recent years is to be welcomed and should be promoted.

²² http://www.ucl.ac.uk/~uctp041/Research_files/AllozaJMP.pdf

²³ http://blogs.ncvo.org.uk/wp-content/uploads/guest/volunteering_during_unemployment_kamerade.pdf

7 Workers Rights

Employees who are formally under “If & when” or “banded hours” contracts need to be legally recognised as employees & their respective worker rights are protected.

Time spent travelling for work should be also considered work in line with the ruling of the European Court of Justice.

The Green Party seeks to make it easier for highly skilled professionals to immigrate & contribute valuable expertise to Ireland and its economy.

The Green Party support the establishment of a commission to investigate the viability of the implementation of a Universal Basic Income system. The Green Party supports the implementation of a pilot program to test and further understand the effects of providing such a system specifically in an Irish context.

The Green Party supports entitling families of self employed individuals to the Family Income supplement as they do not currently qualify.

The Green Party supports a ban of the use of unpaid internship initiatives & require a payment of at least minimum wage to interns in all for-profit organisations

The Green Party has concerns about section 37.1 of the Employment Equality Act 1998 as amended by section 11 of the Equality (Miscellaneous Provisions) Act 2015 which allows religious based discrimination in certain circumstances in employment matters & calls for the introduction of a private members bill to prohibit such discrimination by employers.

The Green Party supports a ban non-compete agreements including for the formation of competing companies as they stifle innovation & reduces workers options to work within their industry of expertise.

The Green Party recognises the importaant of Trade Unions as a means of protecting workers and advocating for workers rights and negotiating for better pay and conditions on behalf of workers.

The Green Party recognises that the nature of work is changing and many new jobs being created fall into the category of 'non-standard' work. This is leading to increased insecurity and an erosion of worker rights and specifically would promote the importance of trade unions as an important framework for workers that fall into this 'non-standard' category.

The Green Party believes that all wage and tax records should be made publicly accessible online in the interest of openness, honesty, fairness and social equity. The information provided

on this system would be pseudonymous in the interest of personal privacy, but still allow people to investigate whether their place of employment is treating them equally in comparison to their peers. This in turn, will allow employees to be able to identify wage discrimination easier, and aid in addressing issues with wage gaps across many areas of employment. This would be implemented by larger companies on the basis of job title/grade. With respect to smaller companies (those circa. less than 25 employees), this information is to be made available internally to all members of staff but would not be made publicly accessible, in the interests of privacy.

The Green party opposes employer practices such as bogus self-employment where the main purpose is to undermine workers rights and also opposes zero hour contracts and seeks to protect workers from runaway subcontractors and hope to eliminate abuses in this area

8 Youth Employment

The Green Party supports the introduction of a direct apprenticeship and internship placement programme for recent college graduates who have experienced difficulty gaining entry level experience in industries relevant to their respective degree.

The Green Party supports remote working & work hour flexibility initiatives so that our educated youth do not have to emigrate to find their career after college. Jobs in the knowledge economy can come to the people rather than having to move to find a job.

Career progression used to be assumed as older generations retired and jobs needed to be filled. A higher percentage of the older population are now putting off retirement due to the lack of a safety net. Therefore, the Green Party aims to ensure greater safety nets are in place so that upon people are approaching retirement that they can do so without fear of poverty or destitution. This will in turn provide openings for younger generations to step into.

The Green Party seeks to combat the abuse of the term “entry level jobs” within job that require prior relevant experience.

The Green Party supports a reimbursement program to cover the transport costs for unemployed workers travelling to job interviews to ensure that lack of affordable transport is not a barrier to professional advancement.

9 Digital Opportunities

Telecommuting gives people access to opportunities that may not be available in their locality. If people can work from home it provides the opportunity to both be closer to their family, spend less time travelling and reduces the carbon impact of work. The Green Party supports telecommuting initiatives for both their impact on our carbon footprint and quality of life improvements.

Access to internet connectivity is dividing the country economically as those in remote areas are less likely to have the ability to participate to their full potential in the digital economy. Remote working schemes where people can work from home has the added benefit of reducing the need for daily commutes. This is only possible if these workers can still communicate effectively.

Mobile internet adoption in Ireland is the highest anywhere in Europe, North America or South America and is one of the highest in the world²⁴. This figure combined with the still incomplete roll out of fibre broadband across the country demonstrates the need by the Irish public to have access to high quality Internet, which is considered fundamental human right²⁵.

Ireland's internet services lag behind the leaders of the technology sector. The Green Party seeks to address this disparity to ensure that we remain employing high technology workers and competitive. A digital knowledge economy cannot grow without a capable communications infrastructure.

Low energy costs are an important deciding factor regarding the location of new data centres as electricity are their largest operating cost. Ensuring low energy costs will solidify the continued operation of factories and data centres in Ireland for years to come.

The transition to digital communications to remove the usage of paper based communications is also a conscious policy to reduce the government's carbon emissions and reduce the need to cut down trees²⁶.

The Green Party supports the removal of all non-online business-related form filling, reducing paperwork required by small business. Forms are often complicated and repetitive for small businesses forcing them to waste time or employ accountants. When a form is required it should be printed as needed (at the individual's expense) and not mass produced. This will show to small businesses the benefit of e-government and reduce the cost of printed forms. Small businesses will still be able to request forms on demand, but the cost savings of online processing will be reaffirmed at each request.

²⁴ <https://www.krishna.me/2015/internet-and-mobile-use-in-ireland/>

²⁵ http://www2.ohchr.org/english/bodies/hrcouncil/docs/17session/A.HRC.17.27_en.pdf

²⁶ <http://www.technewsworld.com/story/68834.html>

The Green Party supports the enactment of a European digital single market has the potential to create a further 140,000 new jobs²⁷ and further strengthen our digital trading relationship within the European Union.

The Green Party seeks to double the number of “Online Trading” vouchers available to businesses to further improve the digital presence of Irish companies who wish to advertise their services online to a wider global market.

The Green Party intends to invest in improvement of Government digital portals to enable easier public access & usage.

Public access to data will allow the public to make use of the available data more than any single governmental department can provide improved efficiency, accessibility, environmental bonuses, public empowerment and democratization of information.

Due to our small geographical size, there is a limited amount of room for private competition within the telecommunications sector, creating conditions ripe for industry monopolisation. Thus, ensuring that Ireland's critical internet and communication infrastructure are publicly owned is of significant importance.

The Green Party seeks to create and promote more flexible online education and retraining programs to improve access for those who may find it difficult to fit existing employment or other responsibilities into traditional education schedules.

The Green Party seeks a national mobile phone coverage audit to identify any areas of lacking coverage for rural communities and ensure that any issues discovered are in turn addressed.

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10 The Future of Work

● Automation & Artificial Intelligence

Increasing levels of automation levels will result in a continued downward trend in employment numbers in low skilled sectors. The effects of this pressure will be especially experienced in retail, transport & manufacturing sectors. We already have seen that the number of jobs in the manufacturing sector has been steadily falling in recent years.

The make-up of our economy is constantly changing. Manufacturing used to be a major employer. Today the services and retail sector is the largest employer. Through the further usage of online shopping and self-service check out technology, this will also inevitably change. While this trend progresses, we can only work towards smoothing the transition to new major sources of employment. For those without a path to higher education, this will likely result in an added emphasis to the importance of our Tourism and Construction sectors.

The belief that automation causes long-term unemployment is referred to as the “lump of labour” fallacy. The Industrial Revolution was a well-known example of economic growth, yet it put many household textile manufacturers out of business as they could not compete with the prices or quantity of textiles manufactured in factories that relied heavily on machinery. We are at a point where Ireland's competition is on a global scale. Failing to embrace these changes will only result in a loss of the potential benefits of change through the creation of new types of jobs.

● Self-driving vehicles

While have clear economic and societal advantages there will be obvious impacts on employment. Professional drivers (Taxi, haulage, Bus, Luas, etc.) will either have to find alternative forms of employment or risk their skill set being no longer required in society. Back to education schemes need to be put in place to offset the loss of this low skilled employment opportunity.

Autonomous driving would reduce the number of people killed in driving accidents. 166 people died on Irish roads last year²⁸. 80% of these were due to driver error²⁹.

It is predicted that once autonomous vehicles become widely used auto sales could fall as much as 40%

About 86,000 people in Ireland are employed in transport and storage which makes up for 4.6% of the total Irish work force³⁰. With the arrival of self-driving vehicles to the public market in the next five years, these jobs are likely not a viable long term, major source of employment for lower

²⁸ <http://www.rsa.ie/RSA/Road-Safety/Our-Research/Deaths-injuries-on-Irish-roads/>

²⁹ <http://www.roadsafetymayo.ie/CausesofAccidents/>

³⁰ <http://www.cso.ie/en/statistics/labourmarket/principalstatistics/>

skilled workers. Due to this, there is an even greater importance of re-education initiatives for those affected by this change in the years to come.

- Drones

Potential for new piloting, software development and engineering roles developing drone technology. This new opportunity will complement our existing strong history with both the aviation and agriculture industries. Examples of opportunities include aerial surveys, autonomous delivery services and emergency search and rescue services.

- Precision Agriculture

Precision Agriculture is the application of data gathering and data science to find an increase efficiency will allow us to keep providing the current level of food while being able to reduce the amount of agricultural land to do so. By integrating new sources of data such as wireless embedded sensors and remote imagery more accurate insights can be achieved. Examples include decreased use of fertiliser, animal tracking & calving alerts.

11 Green jobs

While there has already been a great research in green technologies to date, creation of industry jobs in the sector has been comparatively ignored. Ireland is capable of being an international leader and provider of these products & services.

The portfolio of jobs also extends into the professions; sustainably managed green financial services (pension funds, venture funds and asset management); the legal provision for increasing environmental legislation; accounting standards that factor full social and environmental utility as a quantifiable figure on a balance sheets.

The planning, financing, construction and maintenance of wind farms can provide thousands of job opportunities³¹.

The advancement of automation should be a vital consideration for products that require high quality production & are costly to transport from outside the European Union. This aims to move previously mass-produced products into the mid-scale production model that is best suited for Ireland's employment needs. Recently, the manufacturing sector has been undercut by cheaper labour in developing countries.

The promotion and reward of engineers and scientists is vital for Ireland to lead in green technologies. Individuals should benefit and not just corporations. This will increase the demand by researchers to locate themselves in Ireland. This will empower the development and research hubs in Ireland and should be supported by allowances for the production of technologies directly related to the work researched in Ireland on refit brown field facilities. This will expand the employment opportunities through the different skill levels of workers.

Ireland is ranked as the country with the highest number of opportunities for onshore wind energy development in the EU per capita and 2nd in total behind the UK³². The planning financing, construction & maintenance of wind farms can support 10,000 Irish jobs³³.

The Green Party supports the creation of a clean technology and transport research hub in the Midlands region due to it's strategic location at the centre of Ireland's population centres.

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http://www.iwea.com/contentFiles/Documents%20for%20Download/Publications/IWEA%20Policy%20Documents/2009_06_Jobs_and_Investment_in_Irish_Wind_Energy.pdf

32

<https://www.energy.eu/publications/a07.pdf>

33

http://www.iwea.com/contentFiles/Documents%20for%20Download/Publications/IWEA%20Policy%20Documents/2009_06_Jobs_and_Investment_in_Irish_Wind_Energy.pdf

12 Appendices

A) Comparison of Irish and UK small business incentives ³⁴

	Ireland	United Kingdom	Northern Ireland
Income tax			
Salary at which rate changes to 40%	€33,800	€59,905	€59,905
Effective total tax rate on dividends	55%	38.1%	38.1%
Capital Gains Tax			
CGT rate on exit after 5 years	33%	28%	28%
10% CGT rate cut-off on exit after 5 years	€1m	€14m	€14m
CGT exemption for EIS / EIS & SEIS	No	Yes	Yes
CGT roll-over relief for future investments	No	Yes	Yes
Corporate tax issues			
Patent box income	12.5%	10%	10%
Corporate Tax rate	12.5%	17% ³⁵	12.5%
VAT	23%	20%	20%
Treaty Network – number of countries	~70	~130	~130

³⁴ <http://www.dubchamber.ie/docs/policy-reports/dublin-chamber's-pre-budget-2016-submission.pdf>

³⁵ <http://www.charteredaccountants.ie/en/General/News-and-Events/News1/2016/March/UK-Budget-2016---corporation-tax-positives-and-negatives/>