



Social Justice Ireland

National Social Monitor

Just Transition



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Introduction

One of the fundamental principles of a Just Transition is to leave no people, communities, economic sectors or regions behind as we transition to a low carbon future. Transition is not just about reducing emissions. Just transition also means changing how we travel, communicate, work and entertain and what we eat, wear and consume to ensure that we share both the benefits and challenges of our new way of living. It is about transforming our society and our economy, and investing in effective and integrated social protection systems, education, training and lifelong learning, childcare, out of school care, health care, long term care and other quality services. Social investment must be a top priority of transition because it is this social investment that will support those people, communities, sectors and regions as we make the difficult transition to a carbon-neutral economy, transforming how our economy and society operates.

In this we are very aware that Ireland and the wider world is moving steadily towards the deadline of 2030 by which time we are supposed to have delivered on the Climate Strategy and the Sustainable Development Goals. While we still have eight years to go before we reach that deadline, there seems to be little awareness among many, including some policy-makers, that substantial changes will have to be made at every level, from the individual to local and national governments, right the way through to the global level, if these targets are to be met. Even where this necessary awareness is apparent, there is no evidence that sufficient measures are being put in place to meet these goals. Ensuring that these changes are made and, more importantly, that the impact of these changes is shared fairly by us all, will require huge adjustments in all our lives. It is essential that a just transition process is put in place to enable people reach this new way of living.

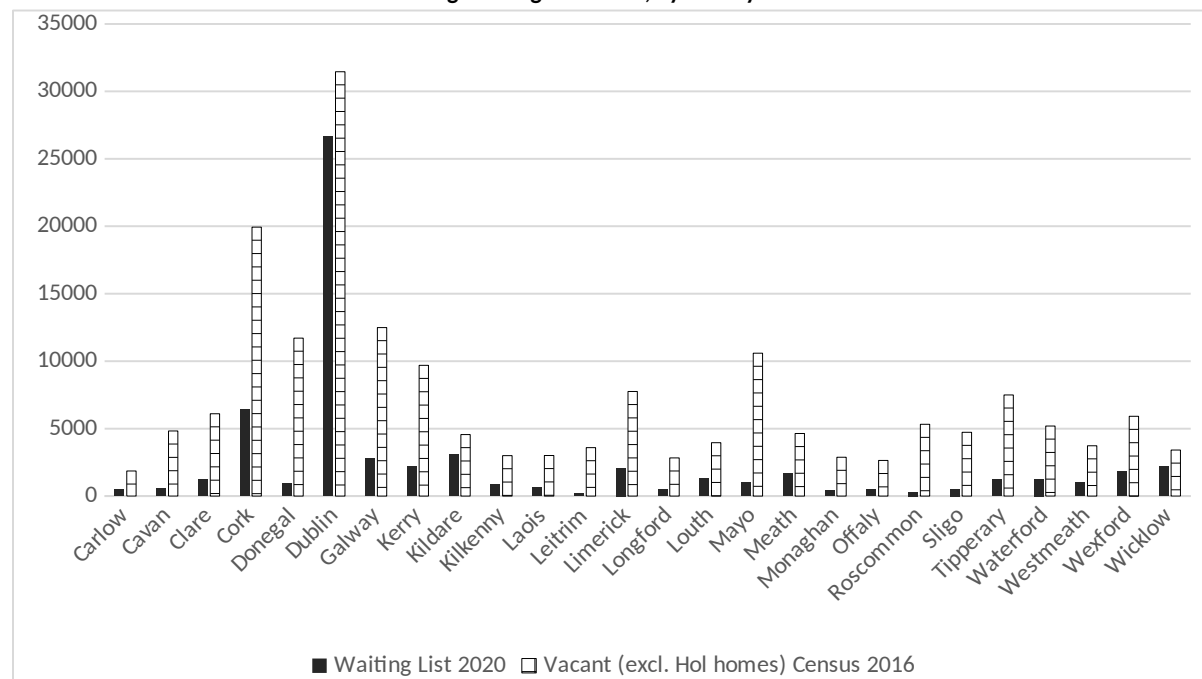
The coming decade will be one of transformation as we try to meet our climate goals. There are some specific policies that Social Justice Ireland has consistently advocated for, that would support us in meeting these targets in the years ahead.

This edition of *Social Justice Ireland's* National Social Monitor does not attempt to cover all the possibilities and challenges posed by a Just Transition. This paper is offered as a contribution to the ongoing public debate, specifically on the following issues:

- Housing and Homelessness
- Healthcare
- Education and Skills
- Rural Development
- Work
- Governance and Participation
- Income Distribution
- Taxation
- Environment and Sustainability
- Global Challenges

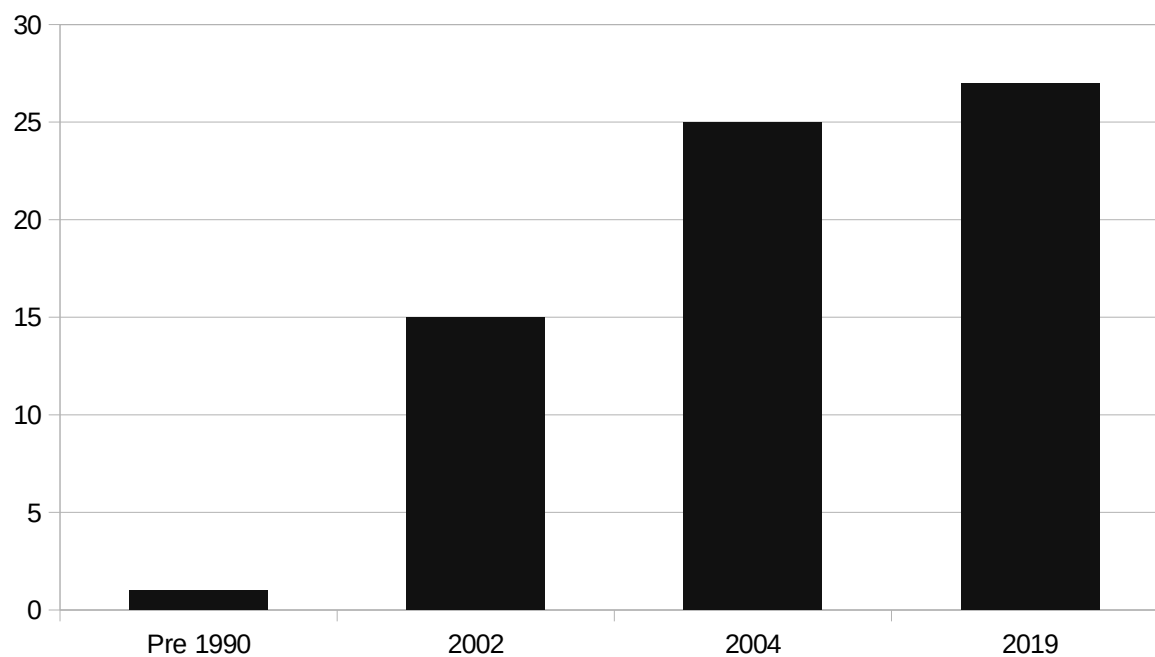
Housing and Homelessness

Chart 1.1: Vacant units 2016 v Social Housing Waiting Lists 2020, by County



Source: Census 2016, www.cso.ie and Housing Agency, Summary of Social Housing Assessments 2020.

Chart 1.2: Timber built houses (as % of all builds)



Source: <https://www.infuturewood.info/five-questions-for-ireland>

Housing and Homelessness



Ensuring an ongoing adequate supply of housing whilst meeting climate action goals will prove a challenge as both the demolition of older buildings and the construction of new ones using traditional methodologies creates a large carbon footprint. Bringing vacant and derelict sites back into use and exploring new low carbon building methods and materials can help us meet the dual housing and climate challenges.

Vacancy

According to the 2016 Census, there were in excess of 183,000 vacant properties (not including holiday homes) on Census night. An analysis by *Social Justice Ireland*¹ indicates that, in every county in Ireland, there are more vacant homes than homes on the official social housing waiting list (Chart 1.1). While utilising these properties where owners cannot be located may prove difficult, greater use of powers of compulsory purchase and compulsory sale orders by Local Authorities would enable at least a proportion to be brought back into use, either by the State or private buyers. In addition, as at the end of 2019, 4,365 Local Authority dwellings were not tenanted, 3.15 per cent of overall stock. Given current housing need, these social homes must be brought back into use as quickly as possible.

New methodologies

We need to look too at new building methods. There needs to be a reduction in the building industry reliance on concrete. This will allow us to work towards our environmental obligations. The National Recovery and Resilience Plan (NRRP)² notes concrete is very carbon intensive and bad for the environment. Chart 1.2 shows the increase in the number of timber frame houses built in Ireland since the 1990s. Modular and timber frame homes are also easier to scale

up as some or all of the units can be built off site and shipped to location.

Apprenticeships

New ways of building and renovating homes will require new ways of working and accordingly, workers with those new skills. Training, upskilling and reskilling will be fundamental and apprenticeships and traineeships will be a crucial part of the response.

The publication of the Action Plan for Apprenticeship 2021-2025³ notes that the apprenticeship system will be a key part of an agile skills development system and acknowledges the necessity of regularly upskilling and reskilling existing workers. Most importantly will be the commitment to assess the potential to include apprenticeship within the general tertiary education equity of access provisions, reflecting the greater integration of apprenticeship provision across further and higher education.

Policy Priorities

- Implement a Site Value Tax as a fairer and more effective system to encourage owners of vacant/ derelict sites to bring them back into use.
- Resource Local Authorities adequately to ensure that social housing “voids” (empty houses) are brought back into use in the shortest possible time frame.
- Introduce new building methods and materials that lower the carbon footprint of construction and design and deliver apprenticeship and skills programmes at levels needed to supply these homes.

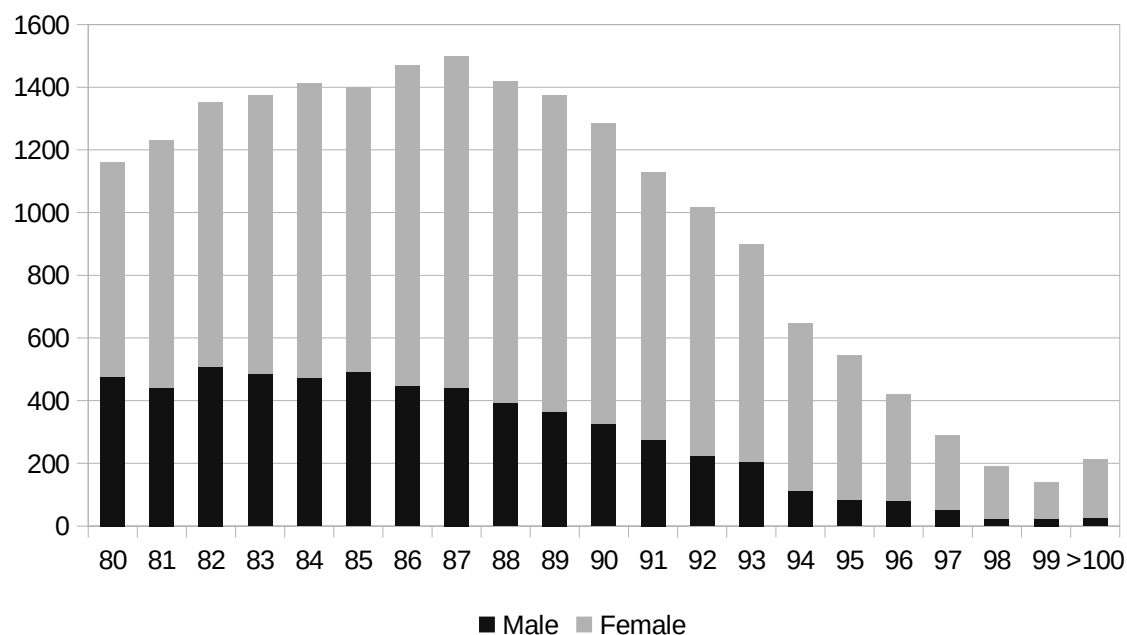
¹<https://www.socialjustice.ie/system/files/file-uploads/2021-09/socialjusticematters2021.pdf>

²<https://assets.gov.ie/162639/e5f1a2bf-35aa-4e25-9a8a-9b49c8b0b50f.pdf>

³<https://www.gov.ie/pdf/?file=https://assets.gov.ie/132640/00c012f4-531c-4578-b8bb-179db4351939.pdf#page=null>

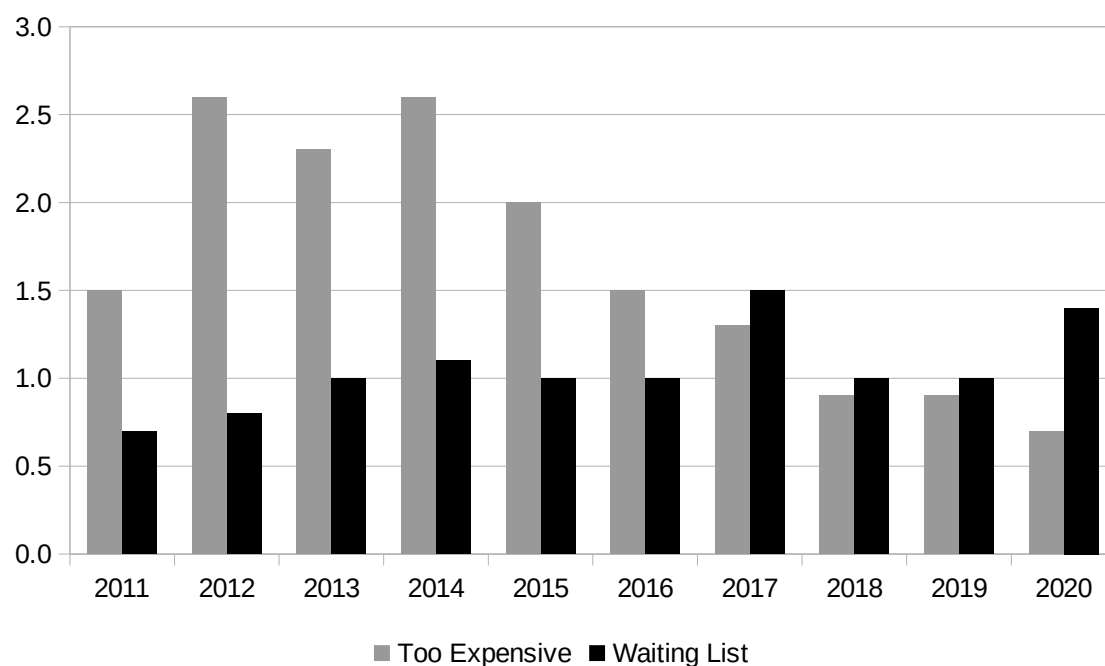
Healthcare

Chart 2.1: Males and Females aged 80-100 usually resident in communal establishments, 2016



Source: CSO.Psx Stat

Chart 2.2: Self-reported unmet needs for medical examination by main reason declared (per cent), Ireland, 2011-2020




Source: Eurostat [hlth_silc_08].

Healthcare



3 **BETTER HEALTH**



Ireland's population is growing and ageing. These changes will profoundly impact the delivery of healthcare as our health needs will change accordingly. If the ageing of the population is not properly planned for, it will result in an increase in older people alongside those with illness and disabilities needing to access services. The pandemic put an unprecedented strain on our healthcare system and highlighted the over reliance on acute services which dominates the Irish healthcare infrastructure. The pandemic also highlighted deficiencies in nursing home care and governance, a concern in light of how many older people are availing of this support. (See Chart 2.1)

Access to Primary Care

The OECD¹ has highlighted how in Ireland many hospital admissions could be avoided (especially for chronic conditions like asthma and COPD) if there were improvements in primary care. Countries with a strong primary care sector have better health outcomes, greater equity, lower mortality rates and lower overall costs of healthcare.² It was envisaged that 530 Primary Care Teams supported by 134 Health and Social Care Networks would cover the country (each to cater for 3,000-7,000 people). Community Healthcare Networks (CHNs) were subsequently proposed as the fundamental unit of organisation for the delivery of community healthcare delivering services to an average population of 50,000 people each.³ Chart 2.2 illustrates the levels of self-reported unmet need for a medical examination in Ireland on the grounds of either cost or waiting times between 2011 and 2020. Whilst improvements are visible, more resources are needed to ensure

that no one is left waiting for a primary care appointment.

Home Care

Ireland provides relatively low levels of formal home care by comparison with several other countries and research suggests that 38 per cent of older people who need home care do not have their needs met; they were also the group with the highest level of unmet need.

The HSE Annual Report for 2020 suggests that 17.55 million hours of home support (combining home care packages and home help but not intensive home care packages) were delivered to some 52,881 people with an additional 149 people in receipt of the intensive home care packages which represents “lower than expected activity by 6%, 1% and 37%”.⁴

The ESRI⁵ projected that demand for health and social care are increasing across all sectors, including home care. They project the following increases in demand to 2030; 66 per cent for Home Care Packages, reflecting a high level of unmet demand, 54 per cent in hours for Home Care and 37 per cent for public hospital inpatient services. Indeed, the HSE itself suggests that home care has not kept pace with population growth or population ageing and that demand for home support continues to exceed the level of service that is funded.⁶

Policy Priorities

- Increase the availability and quality of Primary Care and Social Care services.
- Create a statutory entitlement to home care.

¹<https://www.oecd.org/ireland/ireland-country-health-profile-2019-2393fd0a-en.htm>

²<https://assets.gov.ie/43046/bba7b617fedc47f79a1dd7d0d8b23db1.pdf>

³<https://www.hse.ie/eng/services/publications/corporate/hse-annual-report-and-financial-statements-2019.pdf>

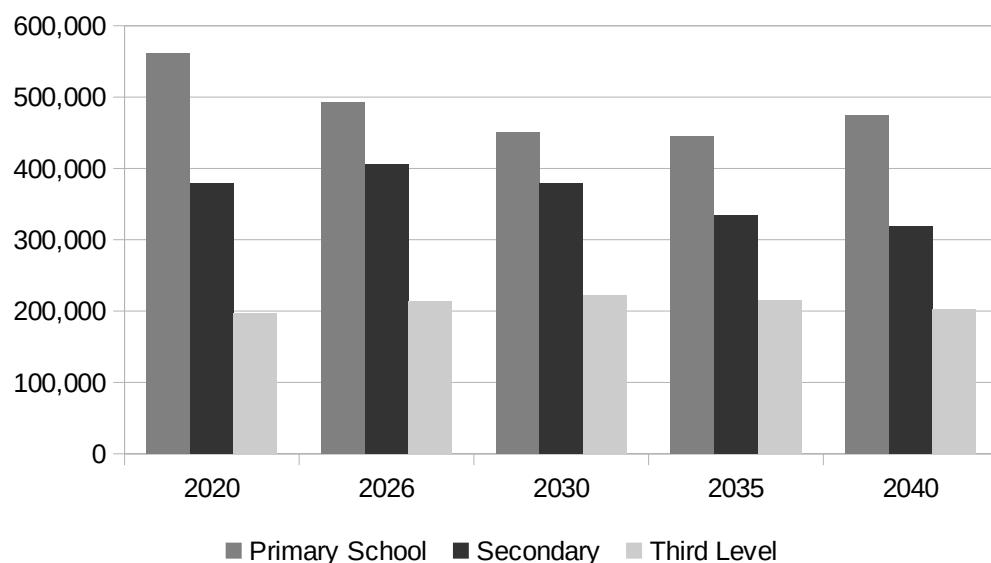
⁴https://opac.oireachtas.ie/Data/Library3/Documents%20Laid/2021/pdf/DOHdocs%20Laid/010721a_010721_170432.pdf

⁵<https://www.esri.ie/system/files/publications/RS67.pdf>

⁶<https://www.hse.ie/eng/services/publications/corporate/hse-annual-report-and-financial-statements-2019.pdf>

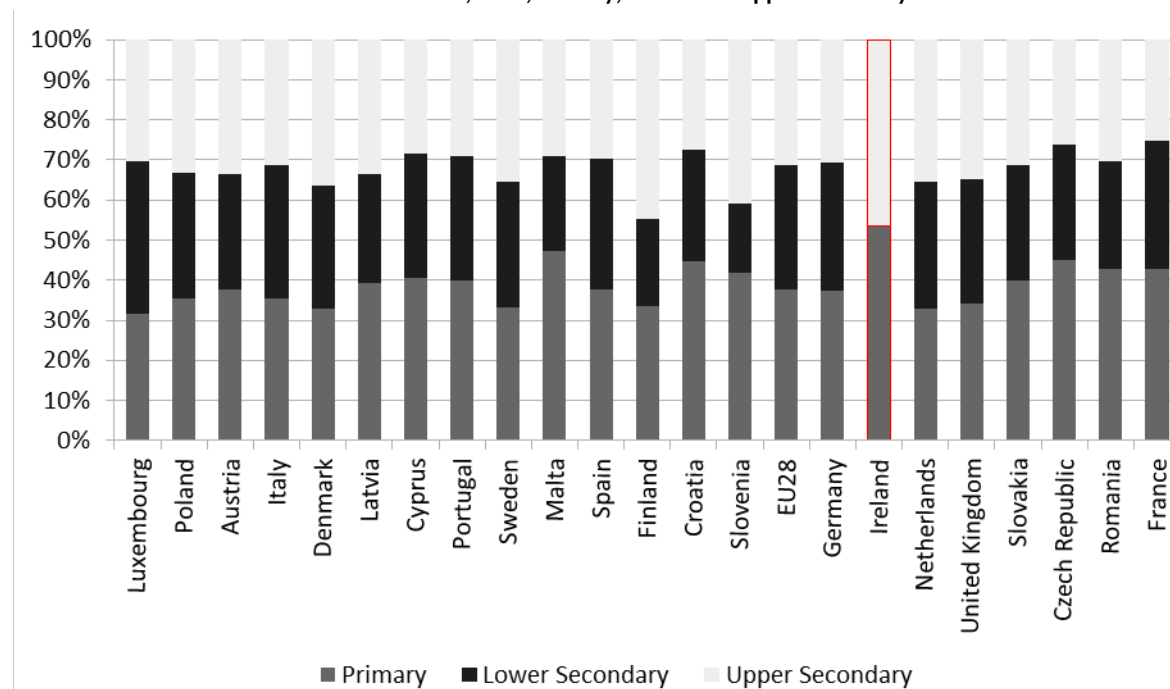
Education and Skills

Chart 3.1: Projections of full-time enrollment: Primary, Secondary and Third Level 2020 – 2040



Source: Department of Education and Skills, Multiple Projection Reports.

Chart 3.2: EU28: Ratio of students to teachers, 2017, Primary, Lower and Upper Secondary



Source: Eurostat, Pupil/ student - teacher ratio and average class size (ISCED 1-3)

Education and Skills



Just as many more of us are getting older, there will be fewer young people which will impact on how education resources are allocated.

Getting the levels right

Projections from the Department of Education in terms of enrolment (see Chart 3.1) and staff numbers should be used to inform investment, plan for reducing class sizes and reducing pupil teacher ratios (PTR) (a persistent problem which Covid-19 has highlighted). A surplus of teachers at primary and post-primary level is projected in 2036 if no actions are taken now. This presents Government with an unprecedented opportunity to address our challenges regarding class sizes and pupil teacher ratios.

Ireland currently has a pupil teacher ratio at primary level of 15.3 (the EU average is 14.7) and an average class size of 25 (the EU average is 20) (Chart 3.2). Clearly there is progress to be made in terms of reducing our PTR and class sizes at primary level.

It is important that as student intake changes, existing resources are used to address persistent challenges within the education system such as PTR and addressing educational disadvantage. A reduction in student numbers does not necessarily mean a knock-on reduction in expenditure. We can implement policy instruments now to reduce our class sizes (particularly at primary level), reduce PTR, and ensure that demand and supply are managed appropriately. Issues such as how to best utilise existing resources (personnel or financial) to reduce PTR and to reduce class sizes, whilst ensuring our system adapts to meet changing needs, are just some of the areas that require in-depth discussion and analysis. As smaller class sizes make the biggest difference to the youngest classes, Government policy must ensure that the PTR in the youngest classes in primary school is at a level which allows

teachers to provide early interventions without disruption.

This is vital to ensure the best educational outcomes for all children and a smooth transition from early years settings to the formal education system.

Address Educational Disadvantage

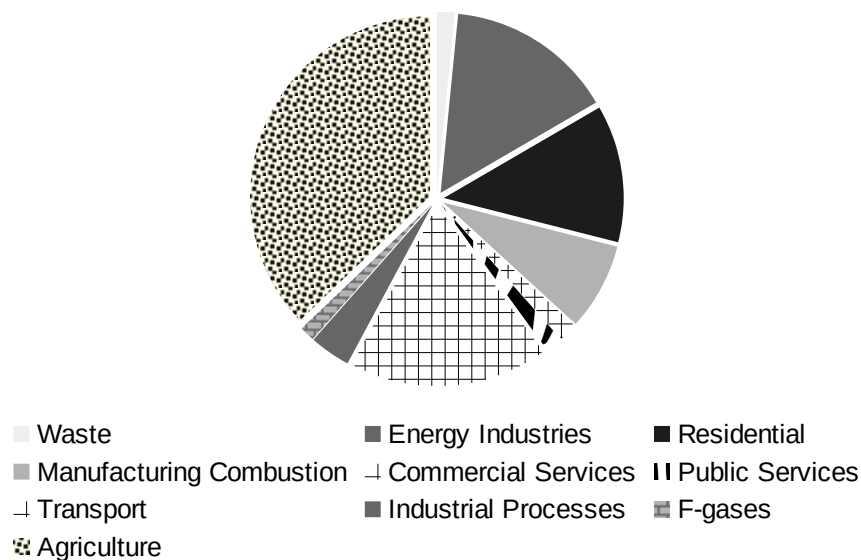
The impact of education, across all age groups cannot be underestimated and particularly for those in disadvantaged communities. The longer a person remains in the educational system the more likely they are to be in employment. Educational level attained is one of the most important individual factors in reducing the risk of poverty for adults and, as this educational level seems to be linked across generations, it is important for reducing child and household poverty. Addressing educational disadvantage and investing sufficient resources into policies that work must be a Government priority. Welcome progress has been made at primary and post primary level in terms of closing the achievement and attainment gaps between DEIS and non-DEIS schools. However, significant gaps still exist – many of which have their base in income inequality, and this is a cause for concern.

Policy Priorities

- Create a plan to inform investment, reducing class sizes, reducing pupil teacher ratios and ensuring that our education system has all of the resources that it requires to meet our national ambitions.
- Address educational disadvantage by keeping average class sizes below 20, reducing the pupil teacher ratio further and ensuring all DEIS Band 1 and 2 schools have sufficient resources to implement strategies to improve literacy and numeracy outcomes for pupils.

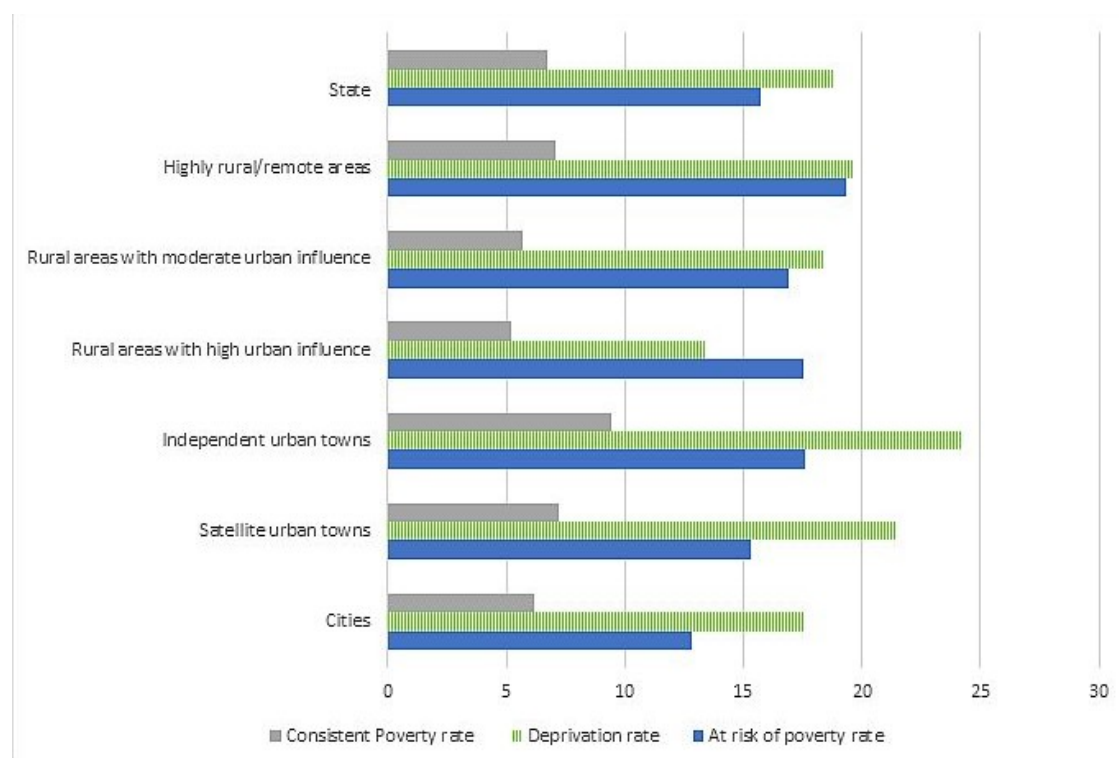
Rural Development

Chart 4.1: Agriculture Sector Emissions Share, 2020



Source: Environmental Protection Agency, 2022

Chart 4.2: Key Indicators of Poverty by Area Type, 2017



Source: CSO PxStat

Rural Development



Restructuring agriculture and supporting and incentivising farmers to move to more sustainable agricultural practices is integral to a Just Transition in Ireland. A clear pathway for the farming community outlining how they will be supported as part of a Just Transition, and the benefits of sustainable farming practice to our environment, natural capital and to their household incomes is essential.

Emissions and the Common Agricultural Policy

Although over a quarter of all 2014-2020 EU agricultural spending – more than €100 billion – was earmarked for climate change, greenhouse gas emissions from agriculture have not decreased since 2010. In Ireland, they account for 37.1 per cent of total emissions in 2020 (See Chart 4.1). This is because most measures supported by the Common Agricultural Policy (CAP) have a low climate-mitigation potential, and the CAP does not incentivise the use of effective climate-friendly practices.

The European Court of Auditors (ECA) Special Report on the Common Agricultural Policy and Climate¹ notes that Ireland is one of three EU member states in the report that have seen substantial emissions increases from livestock. Changes will have to be made in Irish farming practices and a Just Transition will be key. The challenge will be about ensuring farm incomes alongside the achieving climate action goals.

Income

A consistent trend over the past decade is the increased at-risk-of-poverty rate in rural areas. The latest figures show the at-risk-of-poverty rate of rural areas higher than in urban areas.² This is a persistent pattern. There is significant regional variation within these figures, and the Northern and Western region has the highest

at-risk-of-poverty rate and the lowest median income in the State. Worryingly, this region has also seen one of the greatest reductions of full-time employment since 2008 and has been one of the slowest to see the gains from increased employment growth in recent years. The low incomes in the Northern and Western region are also mirrored in farm incomes. Chart 4.2 gives a breakdown of poverty and deprivation rates by area type.

Rural and regional policy has to grapple with issues such as higher poverty rates, lower median incomes, higher dependency ratios, distance from everyday services and a higher rate of part-time employment. It is worth reiterating that our success in implementing policy to address these challenges will determine how well-placed rural Ireland will be to respond to other challenges such as the impact of Covid-19, the transition to a sustainable society and the future of work.

Policy Priorities

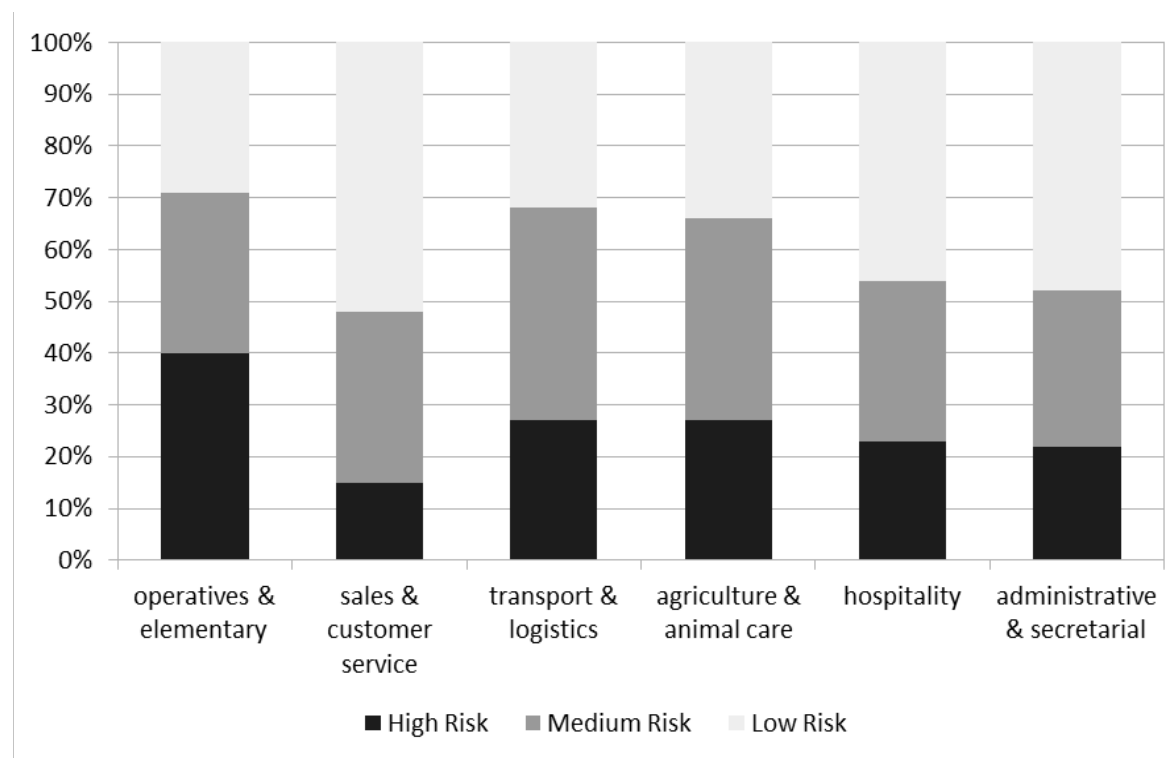
- Focus on developing alternative agricultural models and move away from intensive livestock farming.
- Support sustainable agricultural practice to ensure the long-term viability of the sector and consider how the projected increase in agricultural emissions can be offset.
- For those on low income, make tax credits refundable and introduce a Universal Basic Income.

¹<https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=58913>

²<https://www.cso.ie/en/releasesandpublications/ep/p-uri/urbanandrurallifeinireland2019/>

Work

Chart 5.1: Top 6 Occupational Groups by Share of Risk of Automation Level %



Source: Solas.ie- future-of-jobs-in-ireland_report.pdf

Chart 5.2: Value (€ billion) of unpaid work



Source: National Volunteering Strategy 2021-2025 and Census 2016

Work



The world of work is also changing and these changes will be exacerbated by both the pandemic, the current Ukrainian crisis as well as green and digital transitions.

Digital Transition

The report 'Digital automation and the future of work' by the European Parliament Research Service recognises that the impacts of technological change on work and employment are multifaceted.¹ On the one hand, technology impacts on the level of employment - it can both create and displace jobs and that the net effects of technology on employment will depend on the relative strength of any job displacement effect. And on the other hand, technology also affects the nature and quality of work itself. How work is done and the allocation of tasks within jobs depends on the kind of technology that is developed and adopted in the economy. Just as technology may help to improve skills and raise the quality of work, so it can produce processes of deskilling and create and embed low paid, low autonomy work. Importantly, while technology can help to preserve work, it can also generate shifts in the qualitative experience of work.

A report from Solas shows that, as of the end of 2019, there were approximately 373,500 people in Ireland who were employed in occupations which were considered at high risk of automation.² Of the 16 occupational groups, the six groups with the largest number of persons employed whose jobs were at high risk of automation were; operatives & elementary, sales & customer service, administrative & secretarial, hospitality, agriculture & animal care and transport & logistics. (See Chart 5.1) These six groups combined currently account for 247,500 people or two thirds of the total.

If we are to address the economic and societal damage caused by the current pandemic, we need to re-examine the role of the citizen and the State - the Social Contract - to ensure that those already at risk of poverty are not left further behind.

Recognise Work in all its forms

Social Justice Ireland believes that Government should recognise, in a more formal way, all forms of work. We believe that everyone has a right to work, to contribute to his or her own development and that of the community and wider society. We also believe that policy making in this area should not be exclusively focused on job creation. Policy should recognise that work and a job are not always the same thing. The impact of carers and volunteers should be recognised and supported. Volunteers and carers contribute €2 billion and €3.4 billion worth of work, unpaid, respectively to the economy. (See Chart 5.2) This work is heavily relied on to provide services that would otherwise have to come from the Exchequer at great expense.

Policy Priorities

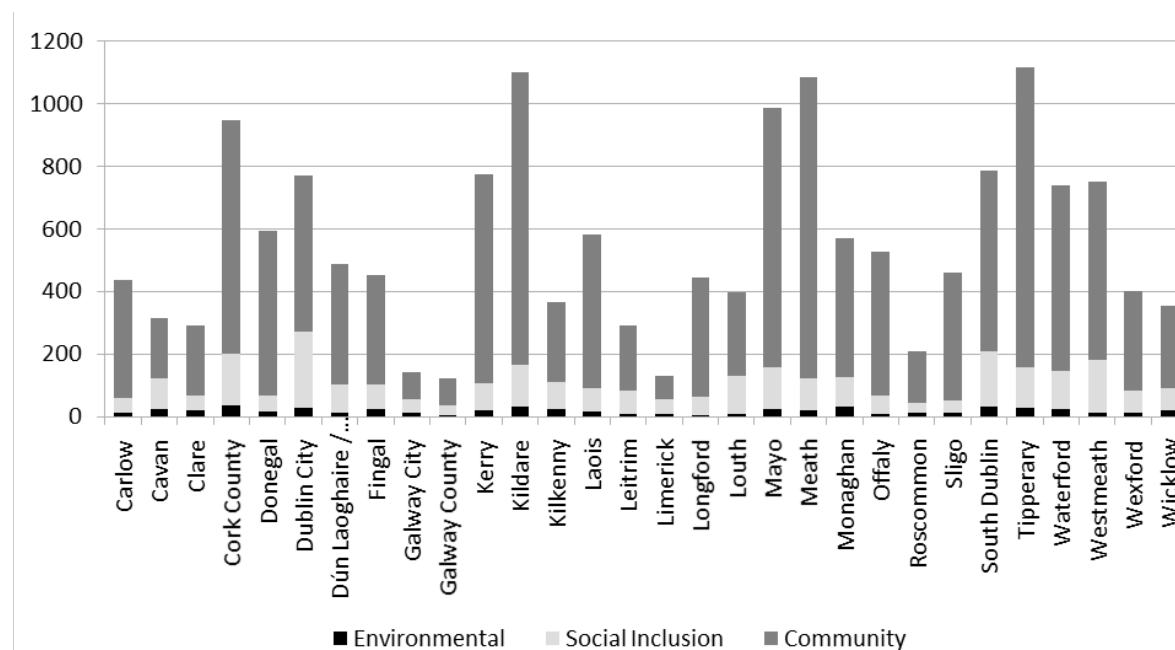
- Resource and deliver a Just Transition programme which should contain as a minimum re-training and support for those communities who will be most impacted by the loss of employment.
- Recognise that the term "work" is not synonymous with the concept of "paid employment". Everybody has a right to work, that is, to contribute to his or her own development and that of the community and the wider society.

¹[https://www.europarl.europa.eu/RegData/etudes/STUD/2021/656311/EPRS_STU\(2021\)656311_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2021/656311/EPRS_STU(2021)656311_EN.pdf)

²https://www.solas.ie/f/70398/x/56f07c3f44/future-of-jobs-in-ireland_report.pdf

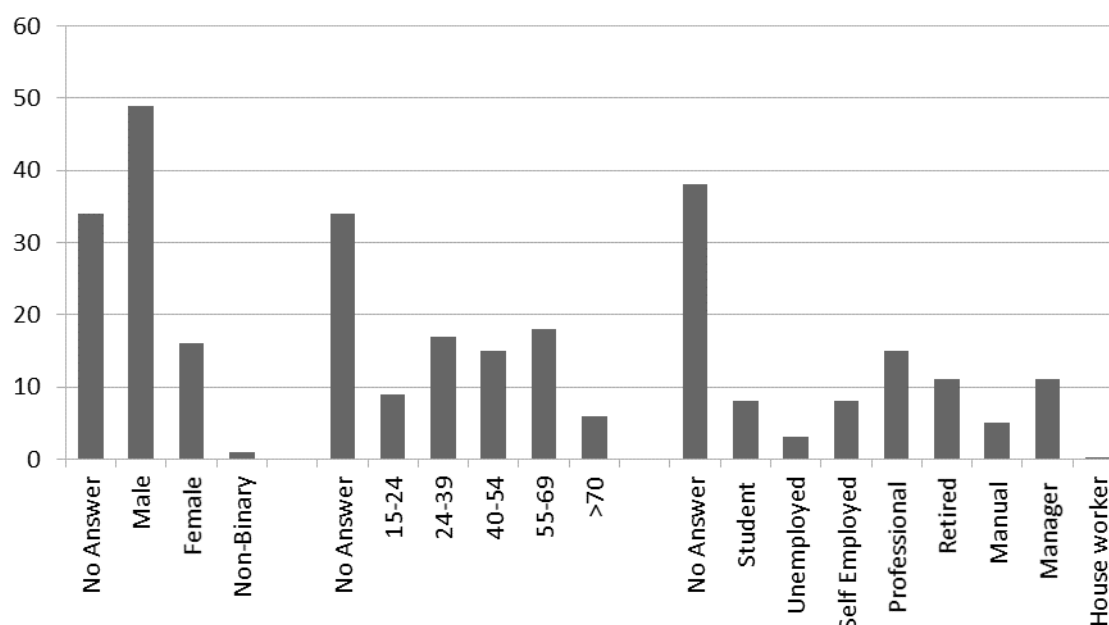
Governance and Participation

Chart 6.1: PPN Membership by Group and County, 2020



Source: PPN Annual Report, 2020

Chart 6.2: Gender, Age and Occupational Group of participants residing in Ireland, Conference on the Future of Europe



Source: Contributions per Member State on the Multilingual Digital Platform of the Conference on the Future of Europe, 2022

Governance and Participation



In 2014, the Local Government Act was amended to introduce Public Participation Networks (PPNs). The PPN recognises the contribution of volunteer-led organisations to local economic, social, and environmental capital. It facilitates input by these organisations into local government through a structure that ensures public participation and representation on decision-making committees within local government. These PPNs have been established in every local authority area in Ireland.

PPN Membership

By the end of 2020, 17,530 groups were members of a PPN, 13,929 community and voluntary groups, 2,988 social inclusion groups and 613 local Environmental Organisations. Chart 6.1 shows the breakdown of this membership spread across the country. They work at local level to bring issues of concern to the table of their local authority and influence policy on these topics. Local knowledge and expertise at the decision-making table will be of vital importance for a Just Transition.

Accomplishments

The groups reported some of the projects that they have been working on in the PPN Annual Report. Across the country these groups have engaged in projects as varied as a Tree Management Strategy, a local request for a protected heritage zone, research around LED public lighting, a new native Woodland Scheme on public lands, the cessation of Glyphosate usage by the council (Parks, and Environment Departments), working with Local Government to achieve carbon emission reduction targets, examining funding criteria under the Support Scheme for Renewable Heat, creating and distributing a local Repair Directory, growing locally sourced tree/shrub/seed planting material to conserve and enhance important sources of biodiversity and participating in

Climate Action Week. The PPNs and their member groups must be supported to continue this necessary and ever more urgent work.

Participation for Everyone

A recent Report on the contributions per Member States¹ on the Conference on the Future of Europe sets out a profile of who the contributors were. In Ireland, almost two-thirds were male (65 per cent), 15 per cent were female, 19 per cent did not specify, and 1 per cent were non-binary. More than one third (35 per cent) were aged 40-54 years old, one third were under 39 years old and 14 per cent were over 55 (19 per cent did not answer). In terms of occupation, more 3 in five (60 per cent) were either managers or professional workers, with just 8 per cent students, 4 per cent self-employed, and 4 per cent retired. What this tells us is that those most likely to be engaged in shaping the future of Europe at an Irish level are highly-educated, middle-aged men in professional or managerial positions which is not reflective of the population as a whole. Barriers to participation are multiple and varied and policy makers must ensure that as many voices as possible are heard and included in deliberation.

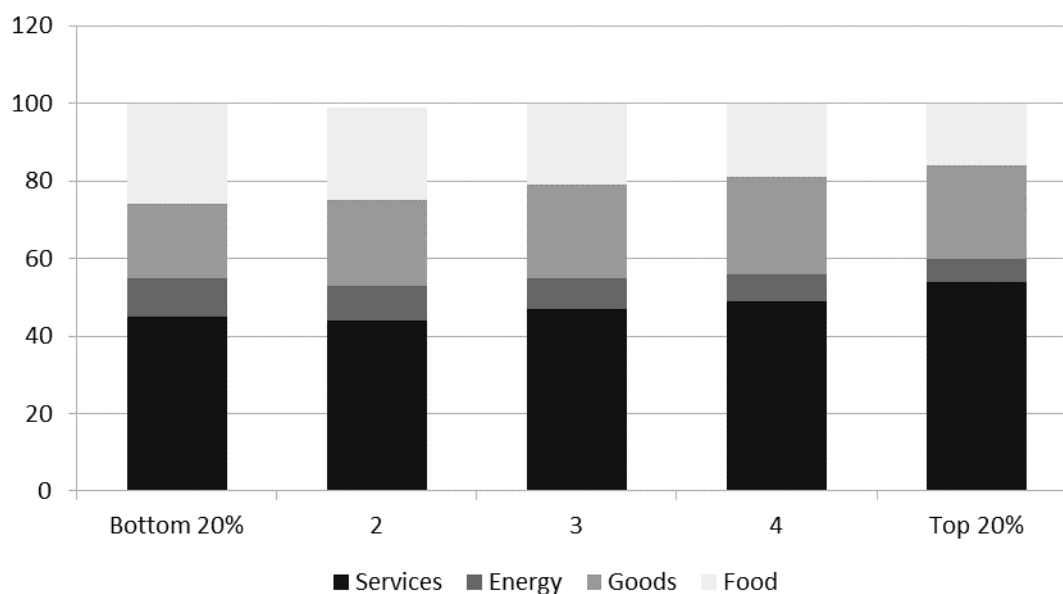
Policy Priorities

- Adequately resource the Public Participation Network (PPN) structures.
- Promote deliberative democracy and a process of inclusive social dialogue to ensure there is real and effective monitoring and impact assessment of policy development and implementation using an evidence-based approach at local and national level.

¹https://futureu.europa.eu/rails/active_storage/blobs/eyJfcmFpbHMiOnsibWVzc2FnZSI6IkJBaHBBNGNBQVE9PSlmlmV4cCl6bnVsbCwicHVlIjoIYmxvYl9pZCJ9fQ==--8e7163573de15aeb202baf8250b8b2c344a27f9b/Report%20Kantar%20COFE%20Member%20States_February_Final_21032022.pdf

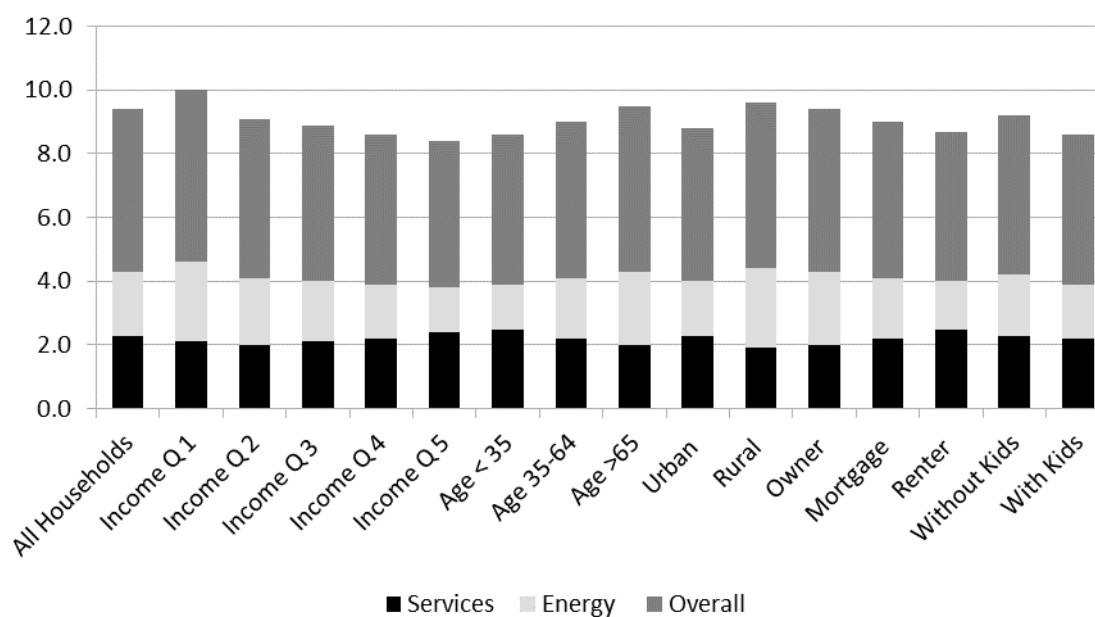
Income Distribution

Chart 7.1: Share of spending on main inflation aggregates by income quintile



Source: Central Bank of Ireland - Inflation dynamics in a pandemic: maintaining vigilance and optionality speech, 2021.

Chart 7.2: Inflation rates for different households



Source: Central Bank of Ireland - Inflation dynamics in a pandemic: maintaining vigilance and optionality speech, 2021.

Notes: This static approach to estimating household-specific inflation does not consider potential changes in demand due to higher prices. For example, if high fuel costs shift demand away from own personal transport to public transport.

Income Distribution



The real value of income is what can be bought with it.

Inflation can therefore cause the real value of income to fall or rise. If certain items that we buy become more expensive, we have less to spend elsewhere and vice versa. After a prolonged period of low inflation, the increased economic activity as Covid-related restrictions were eased, coupled with the impact of the Russian invasion of Ukraine, saw a rise in the cost of living.

Inflation Inequality

When attempting to measure inflation, an average basket of goods is used. However, not everybody will use the same goods and services in the same way or in the same quantity, so inflation will be felt differently depending on the household. Energy, food and services are three of the main drivers of rising rates so consumers will experience inflation more or less depending on the goods and services they consume. Recent research from the Central Bank¹ indicates that lower income households, older people, and rural households are disproportionately affected by recent inflation increases, spending a higher proportion of their disposable income on energy costs, while higher income and younger households spend more on services. (See Charts 7.1 and 7.2) The difference here, of course, is that inflation on essentials such as utilities and food will be felt more acutely by lower-income households who spend a higher proportion of their incomes on these essentials. Whereas many services may be considered part of discretionary spending, their absence having a lesser impact on household wellbeing.

Low and fixed income households

The Central Bank report notes that policies to alleviate recent cost of living increases should focus on the main driver of these increases,

namely energy related spending and consumption. Linking supports to existing social transfers, such as recent changes to the winter fuel allowance, or assisting lower-income groups in other ways, will target the groups most affected by recent price increases.

Social Justice Ireland proposed two practical measures to Government to reduce the cost of living for low income households; benchmarking core social welfare rates and making the two main tax credits refundable. These policies would directly assist people on fixed incomes and people in low paid employment who are most impacted by the rising cost of living. In our response to the package of measures to deal with the cost of living announced by Government on 10th February, we noted that the bulk of the funding available (€378m) went on a universal energy credit, rather than on measures to target low income and rural households who have been most impacted by increasing energy prices. A more appropriate use of the €378m allocated to the universal energy credit would have been to implement the OECD recommendation to redesign the fuel allowance, delink it from heating fuels, update and expand the eligibility criteria and provide it to eligible households during the whole year. This would provide a tool for Government to target and support rural and low income households (those impacted most by inflation).

Policy Priorities

- For those in receipt of social welfare, index social welfare rates to 27.5 per cent of average earnings, an increase of €30 over the next two Budgets.
- For those on low pay, make tax credits refundable.

¹<https://www.centralbank.ie/docs/default-source/publications/economic-letters/household-characteristics-irish-inflation-and-the-cost-of-living.pdf?sfvrsn=7>

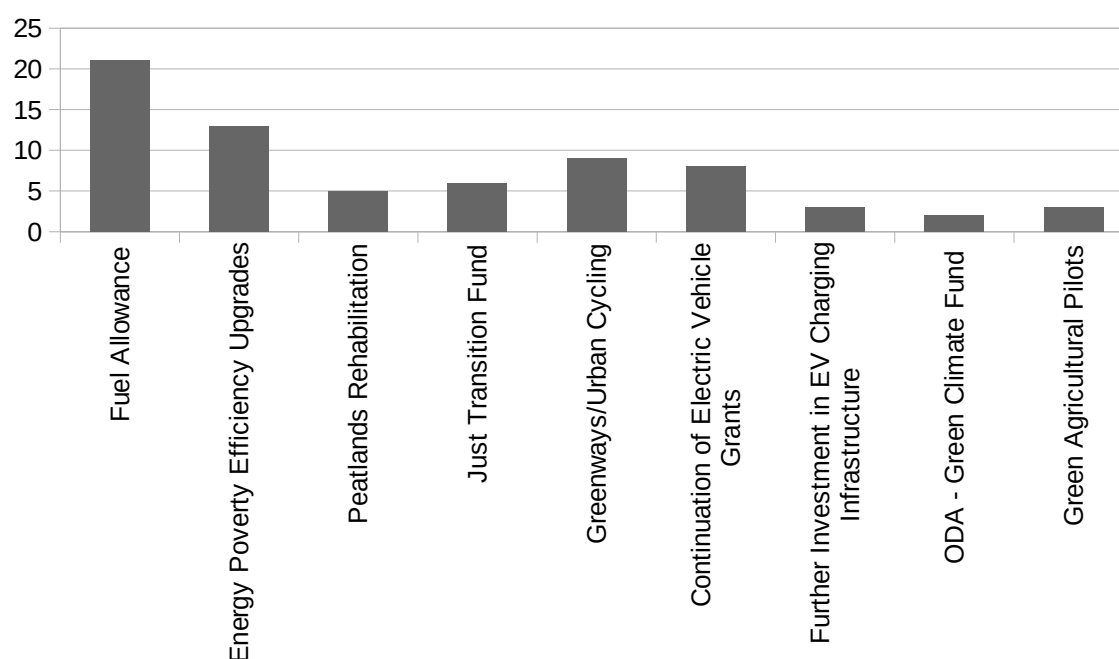
Taxation

Table 8.1: Environmental Subsidies and Similar Transfers, 2017-2020, €m

	2017	2018	2019	2020
Total Transfers of which	1,022	1,227	1,128	1,126
Capital Investment Plan (Waste-water)	212	230	315	340
Green Low-carbon Agri-environment Scheme (GLAS)	196	232	214	203
PSO Levy support to Electricity Generation from Renewable Resources	263	367	134	130
Local Authority Estate Energy Retrofit Programme	33	35	47	66
Afforestation Scheme	87	81	74	66
Other Schemes	232	283	344	321

Source: CSO, Environmental Subsidies and Similar Transfers, 2017-2020

Chart 8.1: Allocation of Continued Carbon Tax Investment Programme from 2020



Source: Budget 2022. The Use of Carbon Tax Funds. 2022

Taxation



Social Justice Ireland believes that taxation policy should focus less on productive activity (or taxing people and organisations on what they earn by their own useful work and enterprise, or on the value they add or on what they contribute to the common good) and towards activity which reduces social wellbeing, depletes natural resources and biodiversity, harms the environment, and contributes to climate change. Instead, the taxes that people and organisations pay should, to the greatest extent possible, be based on the value they subtract by their use of common resources.

Environmental Subsidies

Social Justice Ireland has been calling for review of tax expenditures as part of the national budget process for years. One element of this are environmental subsidies.

An environmental subsidy or similar transfer is a current or capital transfer which is intended to support activities that protect the environment or reduce the use and extraction of natural resources. Environmental protection activities aim to prevent or reduce pollution and other negative impacts on the environment. Resource management activities aim to preserve natural resources against over-consumption.

There are several tax-based subsidies within the Irish tax-code that create positive incentives, but unfortunately many more that produce negative outcomes. In 2020, €1.1 billion was paid in environmental subsidies and similar transfers to Irish corporations, households, public bodies, as well as to international environmental organisations under Irish government commitments (See Table 8.1).

Environmental Taxation

Ireland needs to have a real debate, not just about the levels of services and infrastructure it wishes to have in the coming decades, but also

how these are to be financed. Environmental taxes have a role to play.

Eco-taxes, which put a price on the full costs of resource extraction and pollution, would help with the transition towards a resource efficient, low carbon green economy. It is important that the taxation system reflects the environmental and social costs of goods and services, as well as the cost of production. This is line with recommendations from the European Commission. A carbon tax will play a key part in this regard.

The carbon tax is probably the most high-profile environmental tax of the last few years. The Climate Change Advisory Council recommends that it rise to €80 per tonne of CO₂ emitted by 2030. When we talk about reducing the cost of living, many commentators sought a reduction or abolition of the carbon tax. However, carbon tax is a relatively small proportion of the cost of fuel. Excise duties account for a much larger proportion of the overall cost. Chart 8.1 lists the ways in which the tax is being allocated. The highest proportion of the tax is spent on the Fuel Allowance and energy poverty upgrades. These are measures that improve the situation of the lowest income households.

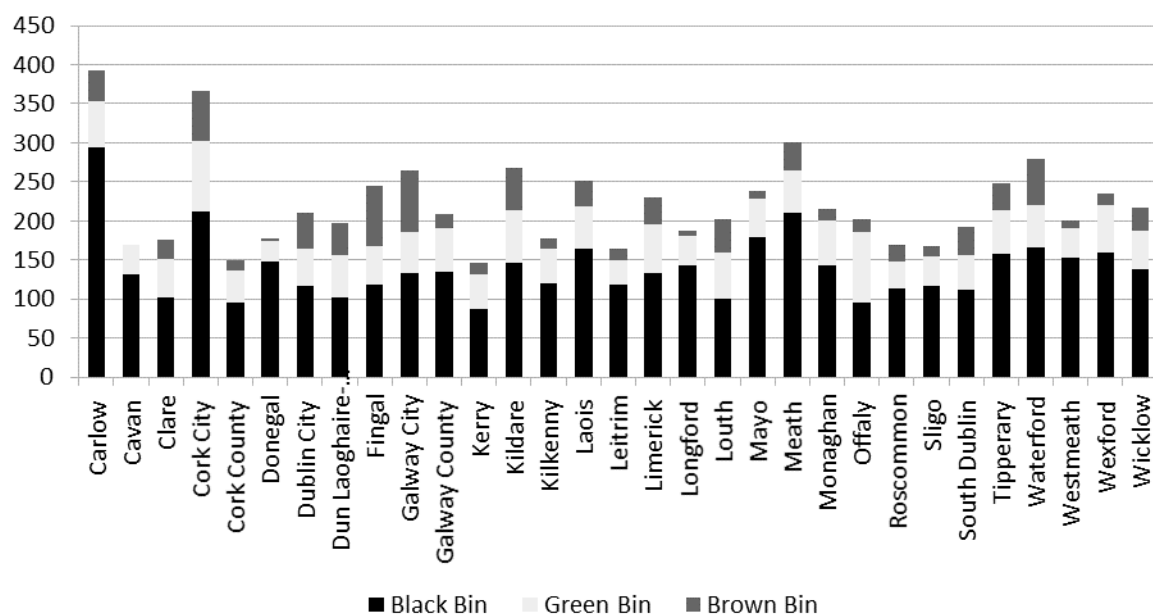
We have consistently proposed that revenues from carbon taxes are used to support households in energy poverty to improve energy efficiency, and in low carbon technologies to improve the energy efficiency of the housing stock. It is vital that any carbon tax is well-designed and accompanied by the necessary measures to assist people and communities to transition to low-carbon alternatives.

Policy Priorities

- A review of tax expenditures is long overdue and needs to eliminate any that are damaging to the environment.
- Ring-fence carbon tax for a Just Transition.

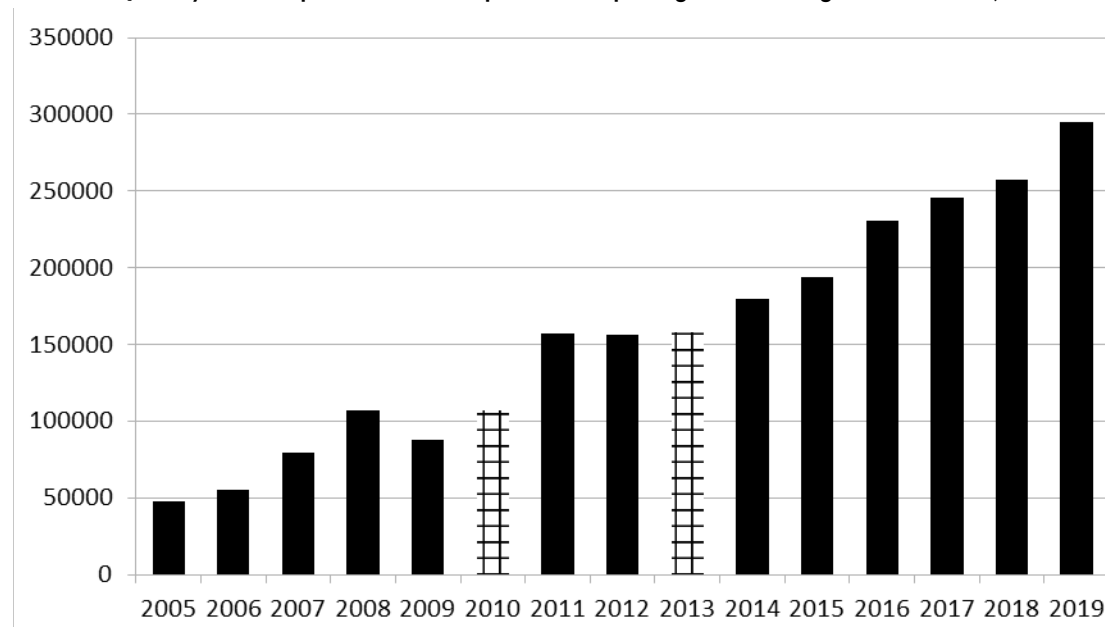
Environment and Sustainability

Chart 9.1: Bin Waste collected from Irish Households (per capita), 2019



Source: EPA. [our-services/monitoring--assessment/waste/national-waste-statistics/household/](https://www.epa.ie/services/monitoring--assessment/waste/national-waste-statistics/household/)

Chart 9.2: Quantity of municipal bio-waste accepted for composting/anaerobic digestion in Ireland, 2005- 2019



Source: EPA. [our-services/monitoring--assessment/waste/national-waste-statistics/composting--anerobic/](https://www.epa.ie/services/monitoring--assessment/waste/national-waste-statistics/composting--anerobic/)

Note: Commercial Food Waste Regulations commenced July 2010 and Household Food Waste Regulations commenced July 2013

Environment and Sustainability



According to figures from the Environmental Protection Agency (EPA), in 2019, Ireland created 3.1 million tonnes of municipal waste and recycled only 37 per cent of it. Ireland also generated over 1.1 million tonnes of packaging, an increase of 11 per cent on 2018. Much of this packaging waste consisted of plastic, paper and cardboard with smaller volumes of glass, wood and metal packaging. Almost all of this is sent abroad for recycling. The EPA notes that “the data indicates the increase in plastic packaging recycled is offset by an even greater increase in the amounts of packaging waste being generated and incinerated and, as a result, Ireland’s recycling rates have shown a generally declining trend since 2013.”¹

Waste Action Plan

The Waste Action Plan for a Circular Economy² is Ireland’s new National Waste Policy spanning 2020 to 2025. There is a stated awareness that “we need to embed climate action in all strands of public policy ...and... this Plan shifts focus away from waste disposal and looks instead to how we can preserve resources by creating a circular economy”.

The Circular Economy is defined by the European Parliament as “a model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing and recycling existing materials and products as long as possible. In this way, the life cycle of products is extended. In practice, it implies reducing waste to a minimum. When a product reaches the end of its life, its materials are kept within the economy wherever possible. These can be productively used again and again, thereby creating further value.”³

The Waste Action Plan notes that “According to the United Nations, if food waste were a country, it would be the third largest global greenhouse gas emitter, behind only China and the United States. A transition to a circular economy offers the possibility of a sustainable alternative future and is a fundamental step towards achieving climate targets and United Nations Sustainable Development Goals (SDGs).”

The way in which we consume and then discard has to change if we are to achieve our Climate Action Goals and Sustainable Development Goals by 2030. Chart 9.1 shows that much of our household waste is still being collected as general waste. The 2018 EPA Waste Characterisation Report⁴ found that one-third of general or “black bin” waste from non-household sources (restaurants, hotels, offices etc.) is suitable for composting/anaerobic digestion. To improve our recycling rates and ensure Ireland’s move to a circular economy, more biowaste from both commercial and household sources needs to be diverted to brown bins and composted. Chart 9.2 shows that legislation makes a real difference in the volume of waste that gets recycled and this must be built on.

Policy Priorities

- Examine cost barriers to refuse management and recycling for low income households.
- Ensure that every locality has ease of access to recycling centres that cover a wide variety of substances.

¹<https://www.epa.ie/our-services/monitoring--assessment/waste/national-waste-statistics/municipal/#:~:text=Some%201.2%20million%20tonnes%20of,38%20per%20cent%20in%202018.>

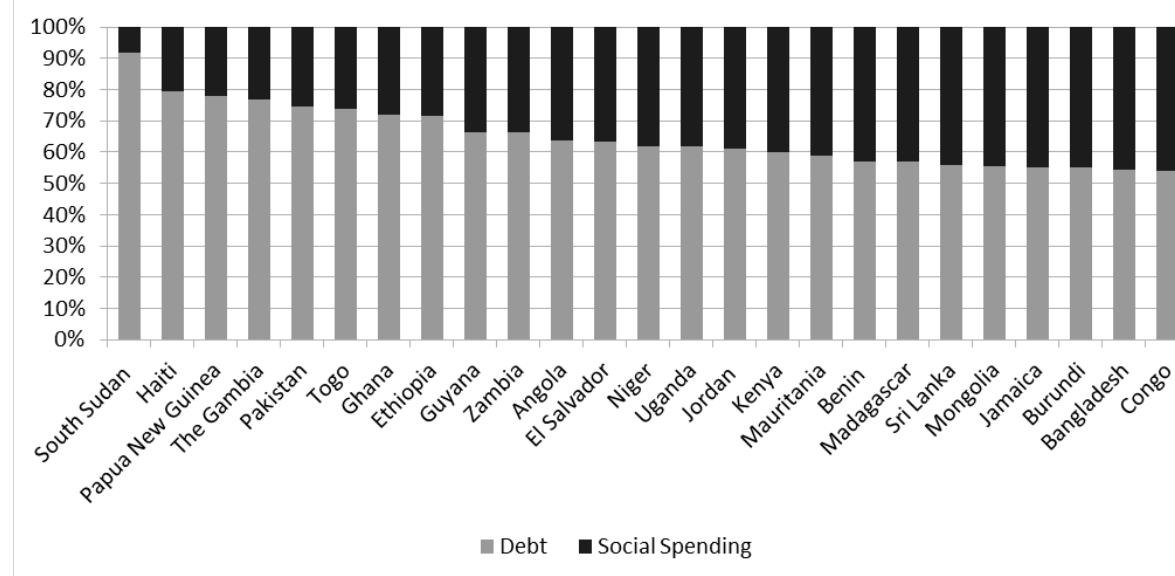
²<https://assets.gov.ie/86647/dcf554a4-0fb7-4d9c-9714-0b1fbe7dbc1a.pdf>

³<https://www.europarl.europa.eu/news/en/headlines/economy/20151201STO05603/circular-economy-definition-importance-and-benefits>

⁴<https://www.epa.ie/our-services/monitoring--assessment/waste/national-waste-statistics/waste-characterisation/>

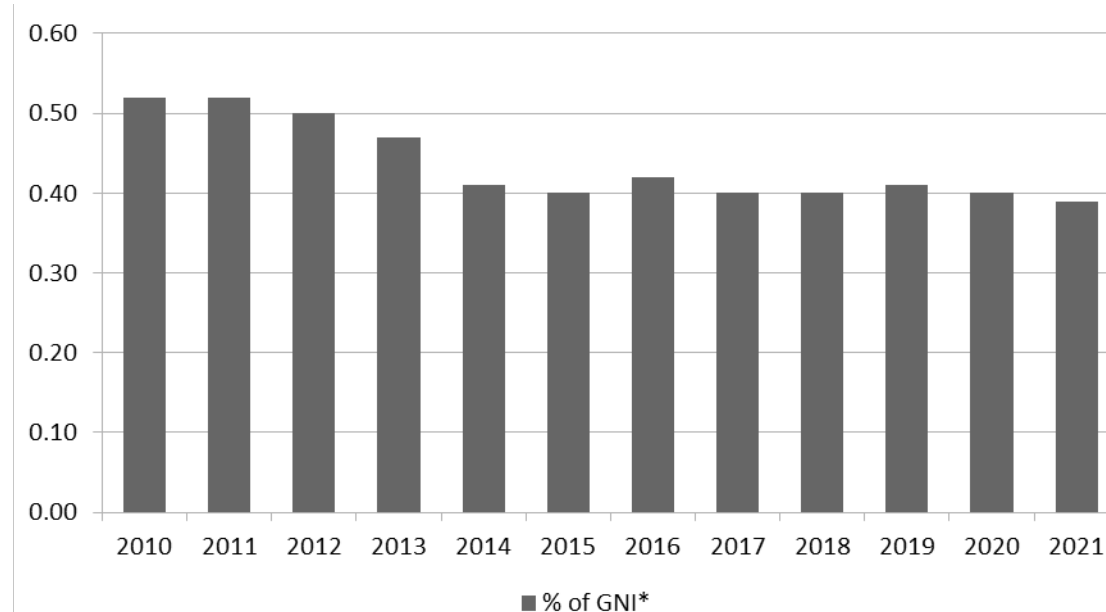
Global Challenges

Chart 10.1: Proportion of debt service to social spending as a percentage of GDP, 2019



Source: Governmentspendingwatch.org (2019 Data)

Chart 10.2: Irish ODA as a % of GNI*: 2010 - 2021



Source: Department of Finance's Economic and Fiscal Outlook published with Budget 2021 (years 2020 and 2021) and CSO National Income and Expenditure

Global Challenges



Climate change, which is causing extreme weather events across the world, coupled with the pandemic has left disadvantaged countries struggling. Added to these is a looming debt crisis for low- and middle-income countries where a growing debt burden threatens to drown out social spending. Much of the current discourse is about “building back better”, “just transition” and “wellbeing” which demonstrates an awareness that we can and must change how we do things for the better. This chance to build back better must be offered to all and yet research shows that many countries are spending more on debt repayments than education, health and social protection combined. Chart 10.1 shows 25 countries where this is the case, with South Sudan spending over 11 times more on debt service than on these vital social services as a proportion of GDP. Around one in eight nations spends more on debt than on social services, according to a report from the UN Children’s Fund (UNICEF) who are calling for “debt service relief and restructuring to enable countries to bounce back from the pandemic”. Currently, more than 60 countries spend more on debt financing than they do on healthcare.¹

Debt cancellation

Social Justice Ireland supports the call for the permanent cancellation of all external debt payments due from developing countries, with no penalties, and the provision of additional emergency finance that does not create more debt. Ireland should use its considerable international influence to ensure this debt cancellation happens.

Inequality Kills

In advance of the World Economic Forum in Davos each year, Oxfam produce their report on global inequality. This year’s report, “Inequality Kills: The unparalleled action needed to combat unprecedented inequality in the wake of Covid-19” focuses on the rise in inequality in the wake of the pandemic. The report looks at widening economic, gender and racial inequalities, as well as inequality that exists between countries, which, the authors say, are tearing our world apart. Considering what it terms “economic violence”, the report estimates that 5.6 million people die every year due to lack of access to healthcare in poorer countries; hunger kills over 2.1 million people each year; and, by 2030m the climate crisis could kill 231,000 people each year in poor countries.

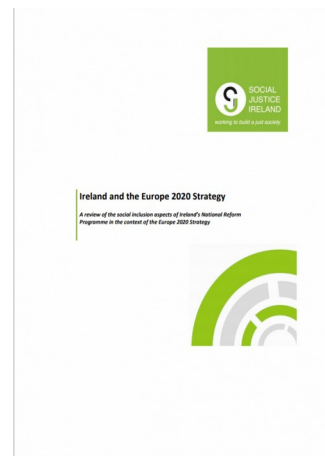
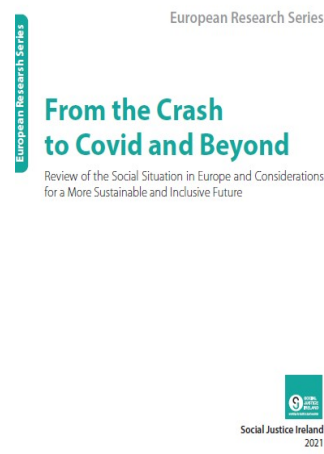
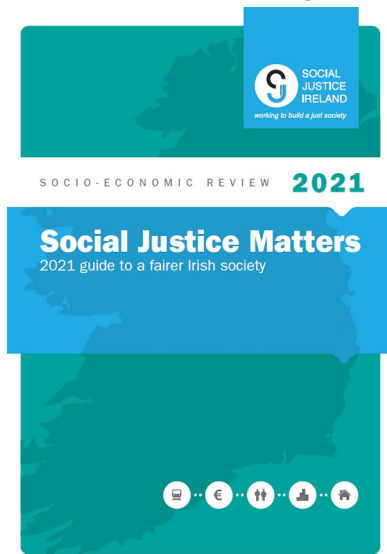
Ireland is regularly commended by the OECD Development Assistance Committee Peer Review for the effectiveness of our aid programme. We can be justifiably proud of our record of providing high quality, untied, grant-based aid. However, we still lack a strategy for reaching the UN target of 0.7 per cent of national income and *Social Justice Ireland* calls on government to develop a roadmap with a view to reaching this target. Chart 10.2 shows that we have only reached .52 per cent at our peak.

Policy Priorities

- Continue to support the international campaign for the liberation of the poorest nations from the burden of the backlog of unpayable debt.
- Renew our commitment to meet the UN target of contributing 0.7 per cent of national income to ODA by 2027.

¹<https://jubileedebt.org.uk/press-release/sixty-four-countries-spend-more-on-debt-payments-than-health>

Other Publications by *Social Justice Ireland* (see www.socialjustice.ie):



Social Justice Ireland is an independent think-tank and justice advocacy organisation of that advances the lives of people and communities through providing independent social analysis and effective policy development to create a sustainable future for every member of society and for societies as a whole.



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