

IRELAND AND A UNIVERSAL BASIC INCOME  
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Quinn School of Business UCD

**New contexts for a Basic Income in Ireland  
Low pay; Tax systems and More..**

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New contexts for a Basic Income in Ireland:  
**Low hourly pay and Basic Income**

Ireland has

- 2<sup>nd</sup> highest median wage in EU
- 4<sup>th</sup> highest National Minimum Wage

Yet

- 22% of workers are “low wage” (<2/3 of median wage) vs 17% in EU

Irish tax/welfare system is an important redistributor of income, so that our rate of “At risk of poverty or social exclusion ” (24.2%) is just above the EU average (23.5%)

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New contexts for a Basic Income in Ireland:

## Low pay and Basic Income

Question:

- Can Basic Income improve the net incomes of those on low pay?

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New contexts for a Basic Income in Ireland:

## Part-Time, Temporary and Irregular work and BI

- 22% of workers are part-time but 57% of those on NMW are P/T
- 7% of workers are temporary
- 3% of workers are on variable hours but 7% of those on NMW are V/H
- Currently, there are welfare income supports but with disincentive effects:
  - 3 days per week
  - Working Family Payment

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New contexts for a Basic Income in Ireland:  
**Part-Time and Irregular work and BI**

Question:

- Can Basic Income diminish the disincentive effects of welfare supports while improving the net incomes of part-time workers and those on irregular hours?

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New contexts for a Basic Income in Ireland:  
**New forms of work and Basic Income**

- Robotics in manufacturing:
  - Increased output and falling labour
- Artificial Intelligence:
  - Increased service output replacing white collar workers
- New jobs:
  - Some high skill, high pay; some (e.g. personal services) low pay
- Portfolio of jobs: concurrently and over time:
  - Continuous Professional Development and re-training

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New contexts for a Basic Income in Ireland:  
**New forms of work and Basic Income**

Question:

- Can Basic Income facilitate Continuous Professional Development and re-training while improving net incomes of those falling behind in the new world of work?

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New contexts for a Basic Income in Ireland:  
**Autonomy and Basic Income**

Modern working and falling Trade Union membership

*Terms and conditions*

How to address:

- Negotiate terms and conditions, individually and collectively
- Walk away, change employer

*Stress*

- 17% of employees in Ireland experience stress in the workplace

How to address:

- Negotiate terms and conditions, individually and collectively
- Walk away, change employer

Range of state programmes:

- Income support and “Job First activation policy”

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New contexts for a Basic Income in Ireland:

## Autonomy and Basic Income

Question:

- Can Basic Income widen the options for workers to deal with issues such as terms and conditions and stress while improving work incentives?

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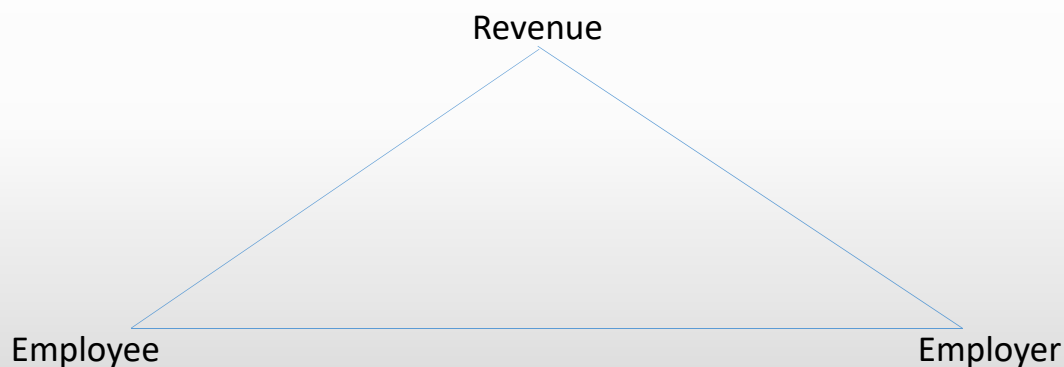
New contexts for a Basic Income in Ireland:

## PAYE Modernisation and Basic Income

“The objective of PAYE Modernisation is that Revenue, employers and employees will have the most accurate, up to date information relating to pay and tax deductions. This will ensure that the right tax deduction is made at the right time from the right employees and that employers pay over the correct tax deduction and contribution for every employee. This will improve the accuracy, ease of understanding and transparency of the PAYE system for all stakeholders.”

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## New contexts for a Basic Income in Ireland: PAYE Modernisation and Basic Income



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## New contexts for a Basic Income in Ireland: PAYE Modernisation and Basic Income

Commencing January 2019

- Employers' returns to Revenue integrated with payroll run
- Employees can update their details on-line to Revenue
- Revenue communicate updated notices of credit seamlessly to employers' payroll software

Outcomes projected to be:

- Greater efficiency for employers and Revenue
- Correct and timely entitlements for employees
- Revenue will be on top of employees credits / tax rates in "real time"

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New contexts for a Basic Income in Ireland:  
PAYE Modernisation and Basic Income

Question

- Could Basic Income for employees (Refundable Tax Credits) be implemented by Revenue via employers' payroll software?

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New contexts for a Basic Income in Ireland

Thank you

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