

‘The Solidarity Factor’ Opinion Poll, November 2014

INTRODUCTION

- Market research was required to measure attitudes to income distribution amongst a nationally representative sample of adults.
- An agreed set of questions were included in the late October wave of Behaviour & Attitudes’ twice monthly face-to-face Omnibus survey, Barometer.
- Barometer is a nationally representative survey of 1,000 adults aged 16+.
- Quotas are set on gender, age, social class and region to ensure that the results correctly reflect the known demographics of the Republic of Ireland.
- Interviewing is conducted by our fully trained and supervised team of interviewers at 63 locations across the country.
- Fieldwork was conducted by Behaviour & Attitudes 27th October – 5th November, 2014.

KEY FINDINGS

- 83% feel income in Ireland is unfairly distributed.
- When informed that the incomes of the top 10% are 7.5 times greater than those on lowest incomes, 88% feel income in Ireland is unfairly distributed.
- 90% feel that the government should take active steps to reduce the gap between high and low earners.
- 84% feel the government should increase the minimum wage, up from 65% in 2010. 55% feel a maximum wage should be established (down from 78% in 2010). 46% feel both measures should be introduced. 7% feel neither measure should be introduced.
- 50% are willing to support higher taxes if guaranteed high quality public services, up from 35% in 2010. Two slightly different wordings were put to respondents, and in both cases the result is an even split between the two.
- 63% are in favour of the introduction of a 60% top rate of tax, combining income tax, USC and Social Insurance, on annual income in excess of €100,000.

TASC’s ANALYSIS

- Half of Ireland’s adult population (50%) are willing to pay higher taxes if guaranteed high quality public services or new/expanded public services. Crucially, people were asked how willing they would be **to pay** more taxes – as opposed to be willing for someone else to pay. This is a growing constituency, up from 35% of adults in 2010, which perhaps indicates a realisation of the value of public services, especially when they are cut back or abolished.

- The questions asked were:
 - ‘Compared to some other European countries funding for public services in Ireland, such as health, education, social protection and pensions is low. **How willing or not would you be to pay more taxes** if you were guaranteed that this would result in high quality public services?’
 - ‘And **how willing or not would you be to pay more taxes** if the State guaranteed to provide new or additional public services such as pre school education and social housing?’
- This finding makes it clear that there is a large constituency in Ireland in favour of meeting many of society’s core needs through the provision of public services.
- It also reinforces the argument TASC has made elsewhere that ‘the majority of people in Ireland would be materially better off from maintaining public spending rather than cutting taxes’.¹ Although tax cuts may put some extra cash into the pockets of people in employment, this comes nowhere close to the level of expense incurred in Ireland through fees and top-up charges that people pay to prop up underfunded healthcare, social care and education, among other services. And many people on low incomes gain little or no benefit from tax cuts.
- It should also be noted that willingness to pay more taxes was highest among people in the ABC1 occupational categories (54%) and among people aged 25 to 34 (57%), who represent those most likely to pay more in direct taxes.
- There was a high level of support for measures to cap high incomes. More than half of adults (55%) were in favour of a ‘maximum wage’. In reality, this might be easiest to achieve through taxation, as was done in the past in the USA, UK and across Europe, and the survey found that nearly two-thirds of adults (63%) were in favour of a headline tax rate of 60% (including income tax, PRSI and USC) on that part of incomes over €100,000.
- There was an overwhelming level of support to increase the minimum wage, with 84% of people in favour. The minimum wage of €8.65 has been stagnant since before the economic collapse, and lower rates have been introduced for young people and trainees. In contrast, a Living Wage for a single person working a 39-hour week has been calculated at €11.45, based on detailed analysis of the actual cost of meeting a person’s basic needs.²
- The extra costs associated with children and adult dependents require either additional income beyond even a Living Wage of €11.45. Conversely, a greater range of quality public services can address the needs of children and dependents, and could also facilitate a lower basic wage to the extent that public services and subsidies reduce the cost of living, as is the case across Europe.
- The vast majority of adults (83%) believe that income is unfairly distributed, including nearly half (46%) who believe that it is ‘very unfairly distributed’. The level of support for all of the survey findings is broadly consistent across age groups, occupational categories and regions. All of this demonstrates the strong public support for reducing economic inequality and building quality public services, funded by taxation and based on solidarity.

¹ <http://www.tasc.ie/publications/list/tasc-a-defence-of-taxation/>

² www.livingwage.ie