

THERE IS A BETTER, FAIRER WAY.

Congress believes that national recovery can only be built on the basis of a Social Solidarity Pact: where the burden is shared fairly across society, where we prioritise the protection of people's jobs and homes, get the unemployed back to work and ensure the weakest are protected.

But the course of action that Government has embarked upon shifts both the burden and the blame for this crisis onto the shoulders of low to middle income earners and even special needs' children.

Congress had agreed with Government and employers that radical measures were required and that all sectors of society would contribute. But Government reneged and imposed unfair cuts unilaterally.

We remain committed to a Social Solidarity Pact in which all shoulders are put to the wheel. But in the absence of engagement from either Government or employers, we have now embarked upon a national campaign to bring about a change in policy.

Below are measures that we believe will address the major problems facing ALL working families.

1. Protect Jobs & Tackle Unemployment

Keeping people in work must be the main priority. Employers should be helped to identify alternatives to redundancy - short time working and other measures. Unemployed workers should be guaranteed 80 percent of salary for two years where they participate in training and upskilling. This can be funded by amalgamating current welfare benefits with money from the Public Capital Programme.

2. The Banks & the Public Interest

The public interest is the only consideration that should inform Government decisions on this issue. Some €7 billion of public money has been handed over to the same people that presided over the collapse of the banks. We must have a complete overhaul of Corporate Governance and wrongdoers must be punished. The bank bailout must be conditional on:

- Full public control, either through Recapitalisation or Nationalisation;
- a legal obligation to support innovation, business and jobs;
- replace all top executives responsible for the crisis;
- remuneration for all at the top must be capped;
- three year moratorium on home repossessions.

3. Competitiveness

It is not wages that have damaged competitiveness, but the weakness of Sterling, artificially inflated electricity prices and the Sterling differential not being passed on to shoppers. The failure to invest in peoples' skills and the fiasco that is our national broadband system show the necessity for strategic state intervention in the economy.

4. The Pay Agreement

The Government, CIF and IBEC have in effect reneged on the pay deal they negotiated in September 2008. But a significant number of private sector companies have paid the first phase and others have committed to doing so. No one has yet explained why the

'inability to pay' clause has not been used. This is a dishonest campaign to drive down wages across the economy, as an alternative to currency devaluation.

5. Fairness & Taxation

How much of the €2bn shortfall will be paid by the wealthiest in the country? We believe the following reforms should be introduced:

- Profits and investments must be taxed at the same rate as wages;
- Tax exiles must stay away if they are not taxed here;
- Abolish tax shelters without a proven economic gain;
- A property tax on property other than the principal private residence;
- The levy on high earners - above €100k - should be graded upwards significantly;
- A new rate of income tax at 48 percent for high earners;
- End hospital co-location, with its generous tax breaks for developers.

6. Restoring Consumer Confidence

People's fears about unemployment, loss of pensions and home repossessions have paralysed the economy. Almost half our GDP comes from consumer spending. Retail sales in Ireland have fallen at a rate of 8 percent, compared to the EU average of one to two percent. We need to see dramatic and progressive moves on the VAT rate. Forcing working families to pay for the crisis will end up costing us jobs.

7. The Public Service 'Pension Levy'

Congress recognises the necessity for radical measures to bring the public finances under control - if all sides contribute in accordance with their ability to do so. Until that happens there can be no sustainable plan for national recovery. Workers did not create the problem, but will contribute to resolving it - as long as the wealthy contribute fairly.

8. Pensions

Workers in the private sector now see their pensions threatened. We cannot stand by and allow people to lose pensions they have paid for. Waterford Crystal is a case in point. The National Pension Reserve Fund must be used as a Pension Protection Fund, as required under EU law.

9. Employment Rights Legislation

Government has committed to introducing new laws to protect the rights of all workers in the context of EU enlargement. The aim is to stop exploitation of workers regardless of nationality. Recent events in the UK demonstrate the need to get this done quickly.

10. National Recovery Bond

People want to contribute to national recovery. This spirit should be channelled by establishing a National Recovery Bond. With the cost of borrowing increasing, a National Recovery Bond could save the exchequer a lot of money. It could also be targeted at sectors such as school buildings, health facilities or public transport, so people could see real gains.

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Join the National Demonstration.
2pm Saturday, February 21,
Parnell Square, Dublin.

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