

**The ICTU opening statement, which was presented by its General Secretary
Ms. Patricia King – 27.06.16**

National Economic Dialogue

Firstly, I think it is appropriate that I make brief reference to the outcome of the UK referendum particularly given our role as an all-Island body. It is our view that the triumph of the “Leave campaign” is as a direct consequence of the persistent pursuit of austerity policies and the erosion of social progress which alienated workers across the continent. “Social Europe” was sacrificed to save “Financial Europe” and there has been a resultant loss of confidence in the entire European Project. EU authorities need to grasp this reality and urgently develop a programme of substantial public investment together with a suite of measures to secure workers rights and decent jobs.

Congress believes that this country’s first priority must be investment in our public service infrastructure, through a progressive taxation system, with sufficient resources targeted to support the delivery of quality public services. Notwithstanding last Friday’s outcome, the proposed increase of current and capital spending by just 2% for 2017 is on our view wholly inadequate. The investment target should be at least 4% which is achievable given current economic growth levels. As has been the case in other countries, our Government needs to persuade the EU to stretch the current fiscal rules, in order to achieve this.

Over the last 8 years, working people have paid a huge price for a crisis they did not create. While, undoubtedly, our economy has recently experienced strong growth, our society is deeply fractured and unequal.

Ireland is one of the richest countries in the world, yet somehow we are unable to house our people. We now have a housing emergency and this should be a matter of great shame.

The market has failed and the State needs to step in immediately and accelerate construction with a substantial increase in the capital budget for 2017. This is not a matter of policy choice - it is an absolute necessity requiring rapid delivery for all those affected.

Our broken Health Service will only be fixed by moving to a universally accessible single-tiered public system funded to a minimum of 10% of GDP on a sustained and continuous basis.

Investment in an accessible, inclusive Education system is a pre-requisite for an equal society and thriving economy.

Policy failure in Childcare can be remedied by raising investment to European levels. The very high cost of Childcare in this country is a major barrier to labour market entry and significantly contributes to the loss of high quality skills, experience and knowledge within the workforce. Equally the poor working conditions in the sector

must be addressed. While there is little or no reference to this issue in the Summer statement, not to invest is a false economy.

Low pay and precarious work define the labour market for too many, especially young workers. The Living Wage must be the “floor” for pay across the economy. Low hour and precarious work practices outlawed.

The Pension crisis requires the creation of a National Superannuation Fund, with contributions from workers, employers and government.

In our view the pursuit of these policy choices would, at least, begin to address the social fractures and inequalities so evident in our society today.