Ireland: Taxi strike, student protests after unions call off national strike

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On March 25, the Irish Congress of Trade Unions (ICTU) called off a national strike scheduled for March 30 and began talks with the Fianna Fail/Green coalition government.

A planned strike of bus drivers in Dublin, originally scheduled to go ahead on March 30, was also cancelled by the leadership of the National Bus and Rail Union on March 27.The strike was called off by the union after workers had voted by more than 80 percent in favour of industrial action. Dublin Bus is planning to implement cuts of up to €31 million this year, including the elimination of 160 jobs of newly recruited drivers and the slashing of 120 bus routes.

Only a 24-hour work stoppage by Dublin taxi drivers and a lecture boycott by students at University College Dublin (UCD) went ahead yesterday. The timing of both actions had previously been moved to coincide with the cancelled ICTU national strike.

The Dublin taxi drivers' strike involved hundreds of workers who were demanding a cap on the increasing number of licenses being issued by authorities and a clampdown on unlicensed drivers. The main grievances of the drivers is that large numbers of unregulated taxis are forcing other drivers to work 70 to 80 hours a week to try to make a living. Many are members of "Taxi Drivers for Change," established in opposition to the official union's indifference to their conditions.

Drivers manned numerous taxi ranks in the city during the strike. Some estimates suggest that there are as many as 20,000 taxi drivers in Dublin, a city with a population of 1.6 million.

At the University College Dublin, which has a student body of more than 20,000, some 200 students protested against the introduction of additional tuition fees. The protest was organised by the Free Education for Everyone (FEE) group and supported by the Union of Students in Ireland (USI).

Despite the small attendance at the demonstration, many other students expressed deep hostility to the planned imposition of fees. Already, registration fees at UCD have increased from €900 per annum to €1,500. If the proposed introduction of additional fees goes through, average student debt is expected to rise from €40,000 for a four-year degree to €70,000.

Speakers made no attempt to address the betrayal by the ICTU of the planned national strike.

Instead, the leader of the USI at the college, Sean Kelly, advanced the view that increased education spending would boost the Irish economy and offset the impact of the economic crisis. He claimed that the government was now responding to pressure from students and from back-benchers in parliament.

The ICTU has submitted a "10 point plan for national recovery" and favours a 1.5 percent increase on the government's proposed 9.5 percent borrowing target to cushion the blow of the recession. In reality, there will be no letup in cuts and closures and other attacks on working people.

The government has revealed that tax revenues have fallen drastically. The Irish exchequer has forecast a projected shortfall of up to €16 billion per year. The swinging cuts in public spending being planned by the government in response to this fall in revenue were revealed when Taoiseach Brian Cowen said, "We have basically 2009 living standards in terms of wages and services on the basis of revenues that are more akin to 2002, 2003."

Cowen added, "We are going to have to take a drop in our standard of living of at least 10 percent. We have to take a few steps back."

In preparation for an emergency budget, Cowen told the press, "The severity of this recession means we have to reorient our tax system. This will involve broadening the base."

Currently, the bottom 40 percent of workers are exempt from taxation. The government has indicated that this tax exemption for the lowest paid could come to an end in the emergency budget.

The comments of the government follow the publication of new data on the unprecedented crisis of the Irish economy, which until recently was lauded as the "Celtic Tiger."

Figures from the Central Statistics Office released last week showed that consumer spending fell four percent in the last quarter. Industrial output was down by 12.5 percent and capital investment down by 30 percent. In 2008, Gross Domestic Product fell by over 2 percent and Gross National Product (which includes the profits of foreign-owned enterprises) fell by 3.1 percent.

The Irish economy fell into recession in June last year, with the final quarter of 2008 experiencing sharp falls in all economic indices. In that quarter, output in the construction sector fell by 24 percent.

A further indication of the economic deterioration in Ireland was a report released March 30 by the credit rating agency Standard and Poor's. The report lowered Ireland's credit rating to AA+ with a "negative outlook." Ireland had been rated AAA since 2001.

This week's *Sunday Tribune* revealed that the government is preparing huge cuts in the pension rights of public sector workers. The article stated, "All new entrants to the public sector face the prospect of losing the traditionally generous defined benefit pension under a radical plan being considered by the government that would save the exchequer billions of euros in pension contributions."

The article continued, "One of the key proposals is that new entrants to the public sector, starting two years from now, would no longer have access to the defined benefit pension scheme currently offered to Ireland's 357,000 public sector workers."

Further evidence of the scale of public sector cuts being prepared was provided by Enda Kenny, the leader of the opposition party Fine Gael. In an interview with the *Sunday Business Post*, Kenny said that his party had already begun the process of identifying billions of euros in public spending cuts.

He said the party's finance spokesman, Richard Bruton, "has been working on a document for quite some time now about the way budgets are structured, about the way you eliminate waste, about the way you get value for money. We reckon there's at least €1 billion in there. There's another €1 billion to be had in terms of the cost reductions for major infrastructure projects."

In response to the question, "Is that €1 billion that can be saved immediately?" Kenny said, "I think if you go through every state department, every agency, every local authority, any of the managers, any financial controllers would tell you that at the stroke of a pen you can save €1million here and €1 million there. I was in a local authority recently and the housing manager said to me, you know, if I have to call a housing meeting, I have to call 33 officials together from around this county, never mind the public reps. I could save €1.5 million to €2 million on this alone at the stroke of a pen."

Under conditions of the rapidly worsening economic crisis, the role of the trade union bureaucracy is to assist in imposing austerity attacks on the working population. This is the meaning of the comments made by Peter McLoone, the president of the Impact public sector union following the calling off of the national strike. McLoone said, "This is what the Congress has been seeking all along, a re-engagement with both the business community and the government."