

Irish government and trade unions deepen austerity measures

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Ireland's Fine Gael-Labour Party coalition have agreed a new three-year plan with the trade unions which will see another €1 billion (US\$1.3 billion) eliminated from public spending.

The agreement continues the no-strike Croke Park deal first accepted in 2010 and will run until 2016.

The new plan targets public sector workers for pay cuts, longer working hours and the elimination of jobs. The working week will be increased for those working 35 hours or less to 37 hours, and for those working more than 35 hours to 39 or 40 hours. Evening overtime pay has been done away with, while increased pay for working on a Sunday has been cut by 12.5 percent.

The agreement was drawn up in conjunction with the Labour Relations Commission (LRC), an institution with a record of enforcing the dictates of the ruling elite against working people.

A token measure to cut the pay of those earning more than €180,000 per year by 10 percent was widely reported. But this could not disguise the fact that the deal will fall disproportionately on those with low and middle incomes. Other measures include the freezing of pay increments for three months for those earning less than €35,000, and six months for those earning between €35,000 and €65,000.

As minister for public expenditure and reform Brendan Howlin put it, workers would have to "swallow hard" and accept the latest agreement.

Taoiseach (Prime Minister) Enda Kenny described the agreement as "fair and proportionate".

The latest measures come on top of five years of austerity which have seen over €28 billion eliminated from government spending. All of these measures have been aimed at bailing out the financial elite and propping up the country's massively inflated financial

sector. With the full cooperation of all of the political parties, the troika of the European Union (EU), European Central Bank (ECB) and International Monetary Fund (IMF) have dictated one austerity package after another. They have imposed a social counter-revolution on the Irish population, which numbers just 4.5 million.

On the day the latest cuts package was announced the EU's Economic and Monetary Affairs Commissioner Olli Rehn attended a conference in Dublin and warned the government not to let up in its implementation of austerity. An EU spokesman told the *Irish Times* that the current pace of austerity was, in the troika's view, "if anything too gradual."

This came several weeks after a debt restructuring deal to cover banking debt that will force working people to repay billions of euros for decades to come.

From the beginning, the other key source of support for austerity has been the trade union bureaucracy. The original Croke Park Agreement, which this new agreement supersedes, was finalised in 2010 and has facilitated the cutting of billions from public spending. Average wages in Ireland have fallen by over 6 percent since the onset of the crisis, and in some areas this cut has been much deeper.

The full cooperation of the unions has been critical in preventing the outbreak of any strike action or demonstrations. At the initial sign of workers taking up a struggle to defend their conditions, such as in the case of the Vita Cortex occupation, the strikes at Aer Lingus or the protest movement against the government's household charge, the unions have worked to ensure that these struggles are run in to a dead end and shut down as quickly as possible.

The trade unions collaborated fully throughout the negotiations of the latest deal and are determined to

force the cuts through against widespread opposition from workers. Shay Cody, chair of the Public Services Committee of the Irish Congress of Trade Unions (ICTU), blackmailed workers with the threat of deeper cuts if they did not accept the deal.

“It was made very, very clear to the unions that in the absence of engagement or agreement the government was determined to extract the costs in any event and they would do so backed up by legislation,” he claimed. The unions could do nothing to “make the pay cuts go away” and there was no point in him “sugaring” this bitter pill.

Howlin warned that with a deal finalised, he would not hesitate to enforce legislation to impose cuts if the agreement was rejected by any group of workers. After four trade unions walked out of the talks prior to a final deal being reached, he noted that the renewed agreement applied to “all” public sector workers.

Those unions which pulled out of the talks at the last minute, including the Irish Nurses and Midwives Organisation (INMO), the Civil and Public Services Union, the Irish Medical Organisation and Unite, have no principled opposition to the off-loading of the economic crisis onto working people. They have participated fully for weeks in negotiations with the government, even though ministers had made clear from the beginning that cuts of €1 billion would be implemented regardless. Moreover, they have not lifted a finger to defend their members over the past five years of austerity measures, but have worked consistently to facilitate their implementation.

Even now, when opposition to the government’s austerity is more widespread than ever, none of these unions made a call for a real struggle by working people. In a statement, the INMO belatedly acknowledged that it “became apparent that there was no possibility of the ongoing process protecting the existing income of its members.”

One week earlier, on February 18, at a public meeting attended by nurses, prison officers, fire brigade staff and other public sector workers, INMO General Secretary Liam Doran meekly urged those in attendance to contact members of parliament to increase pressure on the government to renegotiate austerity plans.

A Unite spokesman declared after leaving the talks, “There is no basis for negotiation in there... There is €1

billion that management want to cut. They want to have the trade union to act as an extension of management functions. We’re not prepared to engage in those discussions.”

But the unions are more than “prepared to engage” in the process of attacking the living standards of working people, even if they employ some verbal camouflage. Their latest manoeuvre is concerned above all with maintaining a pose of opposition, in order to head off the mass struggles they fear will emerge.



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