

The exit of the Troika – the end of austerity?

Members of Mandate Trade Union, most of whom work in the retail sector, have been extraordinarily successful in the past two and a half years. Almost all of our members have managed to win pay increases – in total, equating to more than €30 million for some 40,000 workers. Some workers – such as the 10,000 low-paid workers in Dunnes Stores, where I used to work, have managed to win a 6% pay increase over the past 18 months. A major success in itself but we're continuing to campaign for an even bigger win, secure hours of employment – something our members in Tesco, Supervalu, Penneys and other major employers have already won.

However, despite our members being so successful in the industrial relations field, they have not managed to avoid the impacts of the pro-austerity cheerleaders who have managed to wipe out – in one stroke of a pen – all of the benefits our members have won.

The imposition of a property tax and a new water charges regime – which will impact hardest on the lowest paid – will wipe out the pay increases our members have won over the past few years. That's why our union – along with other unions like the CWU – has actively campaigned against these water charges under the banner of Right2Water.

We cannot continue to be successful on the industrial relations front – increasing our members' incomes

and living standards, only for a government to come along and wipe out all that hard work.

While we may have said goodbye to the Troika last December – our problems lie much deeper. We have a political establishment that is fully committed to carrying out the Troika's policies of austerity. The Troika told our government – under the bailout programme – that we must change the way in which water is paid for. They weren't prescriptive of how that should happen. Our government were the ones who devised the water charges regime that is regressive and unfair and is now being vehemently opposed in every corner of our country. We've already had huge success with the government rolling back on some of their plans. But we're not finished fighting and we will defeat these unfair charges.

A number of years ago, I spoke to you at the conference in Lisbon about the impacts of austerity. We knew some of the outcomes of austerity at that time, but as time passes –the effects become clearer.

Six people lose their homes every single day in Dublin alone.

One in ten people on this island suffer from food poverty.

The number of children experiencing poverty and deprivation continues to grow and grow.

While at the same time, we now have more than double the amount of millionaires living in our country as we did before the crisis began.

How can this be?

Because austerity is only for us – the ordinary workers. It never effects those who can afford it, the corporations, billionaires and multi-millionaires, all of whom use many of our countries to avoid paying their fair share of taxes. Unfortunately, Ireland is a key player in that game of tax avoidance and our union, together with other progressive voices in this country, will continue to pressure our government and call for the closure of those loopholes.

But we need to do this together. There is no point closing tax avoidance loopholes in Ireland, when corporations can just move to another jurisdiction to avoid that tax. When a company or a wealthy individual doesn't pay tax, somebody else has to pick up the tab. Whether that is here in Ireland, in Portugal, Greece or even further afield in developing countries. And when those taxes are shifted onto low-paid workers – it means less spending in the real economy – including shops, restaurants, local businesses – with the inevitable result being losses of jobs and reduced terms and conditions of employment.

The Financial Transaction Tax is a prime example of how we, as representatives of labour, can shift the balance more in favour of workers than corporations. Shamefully, again, our government is one of those blocking this tax at a European level. We will highlight

our government's stance on this in the run up to the next general election.

Any talk of the end of austerity is beyond premature. The Irish government, along with many other countries across Europe, is more than committed to continuing austerity. In fact, under the terms of the Fiscal Treaty, the policy of austerity must continue for many more years, savaging our society and destroying many more lives. In fact, the private banking debt that was forced onto the shoulders of the Irish people - €64billion – will not be fully paid off until after the year 2050.

Why is it that low-paid workers, the unemployed, pensioners, more or less the 99%, must supplement the extraordinary lifestyles of the super-wealthy by committing ourselves to more and more austerity? The reason is clear. We haven't been as powerful as we should be on a European-wide basis. We know that capital respects no borders so us, as labour representatives must have that same goal and we can do it together.

We need a new Europe. One that's not committed to austerity but is instead committed to its citizens. One that will base its decisions, not on protecting capital, but instead on protecting workers and the most vulnerable in our societies. This requires enormous change on a global scale. And it's a challenge to all of us as progressive trade unionists.

Are we prepared to mobilise our members and send a European-wide message that we've had enough of their crisis? The next time a political party runs for election in any of our countries, let them know that they are not just seeking an endorsement of their own constituents, or even the endorsement of the citizens of their own countries, they are seeking the endorsement of all working people across Europe.

Let us all work closer together to build a more inclusive Europe. Let us tackle the most powerful industries – like the financial industry and the key tax avoidance industries – and let's do it together in solidarity with each other. None of us can achieve the change needed on our own so we must work together. We will achieve a fairer and more progressive Europe and we will achieve the end of austerity when the most powerful lobby group in Europe is the trade union movement. That should be our goal.

Thank you.