

**SPEECH BY THE TANAISTE AND LABOUR PARTY LEADER**

**JOAN BURTON TD**

**AT THE BIENNIAL CONFERENCE OF ICTU**

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Thank you for the invitation to speak here today.

It's a great pleasure to address you as the first woman leader of the Labour Party.

And it's a particular pleasure to be here with Patricia (King), the first woman General Secretary of Congress.

This conference meets at a time when Ireland is emerging from its greatest economic crisis.

At the same time, the EU is facing arguably its most difficult set of economic challenges.

I'd like to say a few words about both topics today, the battle to vindicate the economic rights of working people, and the central role of social democracy in achieving that.

ICTU's origins date back to 1894.

Five years later, delegates from all over Europe gathered at a political convention in Paris to chart a new way forward.

Their core programme remains as relevant today as then.

They sought democracy and equal rights, free education, healthcare, progressive taxes, the eight-hour day, decent wages and conditions, and the right to organise.

The programme was seen at the time as utopian fantasy.

Yet much - though certainly not all - of it has since been achieved.

Next year we celebrate the 100<sup>th</sup> anniversary of the Rising, and we will both look back, and look forward.

The 1916 Proclamation envisaged a Republic of equal rights, equal opportunities, and prosperity for all.

Our recent economic crisis challenged that vision.

But we have come out the right side.

Ireland is rapidly recovering now, and we're perfectly placed to deliver a decade of strong growth, of good jobs, of opportunity.

People's economic rights are just as central as their social rights to living a full life.

The right to the best education we can provide.

The right to a job with decent pay and conditions.

The right to an affordable and secure home.

The right to healthcare based on need, not wealth.

And the right to security of income in retirement.

As we look ahead from 2016, our challenge is to secure the economic rights of working people.

Crucially, we have the opportunity now to achieve that.

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I've always said I want a social recovery alongside our economic recovery.

The economic recovery is built on sustainable foundations and, importantly, it is jobs-led.

There are more than 100,000 additional people at work now, and unemployment has fallen by over a third.

Most of the jobs are full-time, and many are well-paid.

Considering where we were when Labour came to government in 2011, that is significant progress.

One of the first things we did upon entering office was restore the National Minimum Wage.

And in the last Budget, as soon as the resources were available, we reduced taxes for low and middle-income earners to begin the process of restoring living standards.

But there is more to do.

Employers are engaged in a relentless drive for competitiveness in a globalised market.

As a result, workers face demands for more flexibility and their conditions of employment are under threat.

The threat of a "race to the bottom" is all too real.

And increasingly workers are facing this threat in workplaces where trade unions are discouraged or simply ignored.

I believe very strongly that Government cannot simply stand aside and allow this race to the bottom to happen without restraint.

I believe in a mixed economy and I believe in free trade.

But I also believe that Government has a duty to intervene to ensure that people's living standards and working conditions are protected and improved.

That duty extends to international bodies as well.

In fact, the most effective way to secure such protections is through binding international arrangements.

I believe it is the duty of Government to set standards, to set out what is acceptable and what is not.

To ensure that the voice of workers is heard.

This is why I appointed Ged Nash as Minister of State in Cabinet with particular responsibility in this area.

Last week, the Industrial Relations Bill was passed by the Dail and it will become the law of the land shortly.

The Bill largely reinstates REAs (registered employment agreements) and also provides for sectoral agreements.

Many of those who will be covered by the legislation work in exposed or low-paid sectors of the economy.

The Bill provides us with an important tool to protect their conditions of employment.

The Bill also provides for collective bargaining, a cherished ambition of your movement.

It establishes for the first time that workers in non-unionised workplaces are entitled to work with trade unions if they want to do so.

It also provides that they will have recourse to the industrial relations machinery in order to establish norms in conditions of work.

This is a hugely important step.

A strong trade union movement helps raise living standards - it's that simple.

And that's why Labour made collective bargaining central to the Programme for Government - and are now delivering on it.

The International Labour Organisation has said that, uniquely among countries that faced an economic crisis, Ireland enhanced workers' rights when others reduced them.

But we must be vigilant.

Predator capitalism can derive people of their livelihoods in an instant, as happened at Clerys.

I don't believe it's right that the owners can act as they did while leaving workers in the lurch and the State facing the redundancy bill.

Given that the effect of the owners' actions is to place its private obligation to pay redundancy onto the State, let me say this.

I will use every legal avenue to vindicate the State and taxpayers' rights in this regard.

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A wage-led recovery has a vital role to play in raising living standards.

Congress is already playing its part in fighting for this.

I want to say unambiguously that I want to see wage increases this year and next in all sectors of the economy where employers can afford to pay more.

Government will play its part in increasing take home pay.

In the forthcoming Budget, we will continue to reduce taxes on low and middle-income workers.

In addition, Brendan Howlin has reached agreement with the public sector unions to start the process of reversing pay cuts.

I know that some of your member unions have yet to vote on the proposals.

I sincerely hope they will vote yes.

Not everyone in Leinster House believes that the restoration of public service pay is a political priority.

There are some who are actively hostile to any such idea.

As Labour leader, I take the view that properly resourced public services are a vital ingredient of a decent society and pay levels have to reflect this within the bounds of what can be afforded.

Those services - ranging from good quality schools, healthcare facilities and public parks to roads and other essential infrastructure - are vital to people's quality of life.

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This month will also see the first report of the Low Pay Commission.

I hope and expect that it will recommend an increase in the minimum wage.

Any potential anomaly in the PRSI system arising from the Commission's recommendations will be addressed at the appropriate time in the Budget.

The minimum wage is, of course, the minimum value which we put on work.

It is a protection against exploitation, but it is not a guarantee of fair wages.

Nor is it a guarantee of adequate wages.

For that reason, I support the living wage initiative.

In the first instance, the living wage should operate as a voluntary benchmark as has happened successfully in some major cities.

What we are looking for is a new consensus, both at national and at European level, of what constitutes a wage that is enough to provide for a decent standard of living.

In support of this view I will, like the devil, quote scripture for my own purposes - in this instance, the gospel according to the IMF and the OECD.

Research from both these august bodies has found that if the income share of the top 20% in a country increases, economic growth actually declines over the medium term.

By stark contrast, an increase in the income share of the bottom 20% will fuel higher growth.

So a living wage is in everybody's interest - even if that is not sufficiently clear to everybody right now.

For some time now, policy across the western world has been determined by a fear that redistribution would damage growth.

I welcome the evidence that now challenges that belief.

And I think we need to think long and hard about the measures needed to reverse the trend both here at home and, no less importantly, through common European action.

Which brings me to Europe's challenges.

Greece is top of the agenda, of course.

These are challenging times for those of us who value the role of collective European action in confronting the after-effects of the long recession we have endured.

I want to see a deal that can bring an end to Greece's very real humanitarian crisis.

I want to see a deal that will put Greece on the road to economic recovery.

Above all, I want Greece to remain an active member of the eurozone, and for all members to resist complacency about the potential effects of Greece being left, or forced, to exit.

But let's be clear: this will be a long, hard road and the Greek government will have to play its part.

The demonisation on both sides must stop, because it risks undermining the European project.

And let's not forget how important that project is.

In the continuing battle to vindicate workers' economic rights, the EU is going to be central.

Because the plain truth is that there are global forces in finance and international capital that require collective action by nation states to secure proper regulation.

Energy security, climate change, migration and terrorism stand out as other challenges that individual states cannot handle alone.

Let us not forget that while Ireland had to fight for - and ultimately win - concessions that reduced our debt burden by tens of billions of euro, we did so at the negotiating table.

Member states ultimately rowed in behind us, just as the ECB bond-buying programme gave breathing space to the European economy as a whole.

That collective, agreed way forward has been the basis on which we have built a recovery that now offers us immense opportunity.

I wish precisely the same for Greece - no more, no less.

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Finally, in terms of a wider, more long-term European renewal - that places people's economic rights at its centre - I think a shift in approach is badly needed.

Henry Ford once said: "If an employer does not share prosperity with those who make him prosperous, then pretty soon there will be no prosperity to share."

The EU needs to recognise this, and put a mix of policies on the table to enhance workers' skills, increase their incomes, and improve their purchasing power.

Progress on this front would be a massive step in vindicating people's economic rights and improving their standard of living.

And that is the challenge ahead of us over the next decade - at home and abroad.

As Tanaiste and Labour leader, I want to see a decade of progress in Ireland that delivers on the social democratic vision at the heart of the labour and trade union movement throughout our history.

And I believe, if we fight hard enough for it, we have every chance of achieving it.

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