

Chairman's Opening Remarks at AHCPS

Consultative Council 29 Jan 2009

I would like to thank you all for attendance here today at this Consultative Council, and in particular, those of you who have travelled from all around the country.

We are in an unprecedented situation and the challenges facing our country could not be more serious. The decisions we take over the coming weeks and months will affect the future of this country for an unknown period into the future. Many of our members will have worked through the 80's (and a few of us will remember the PAYE marches in 1978/79!) so some of the challenges are not new to us. We have, together with all sections of our society, gained from the prosperity of recent years, though not at the same level as many others who what could only be described as a modern "gold rush".

There is an old story in Dublin of 2 men walking down a street and one asks the other how things are going." I'm broke, how are things with you?". The second man replies "I'm poor" to which the first man replies that he's very sorry to hear that. We may be facing into a very challenging time for our public finances but we are by no means poor. We are as a country wealthier than we were in the mid 90's and, at present, the wealth of the country exceeds our debt. We are extremely lucky that we had the National Pension Fund and that we have been able to use it to stabilise at least part of our economy. When you are broke you

have to adjust your short term spending until such time as things improve. If you are poor you probably have little capacity to borrow or be able to afford what many of us take for granted as basic necessities.

The economic outlook internationally is extremely challenging at present as we all must hope that this situation improves in the short term as so much of our economy is linked to the global economy. At home, apart from collapse of the construction sector, there are real difficulties in manufacturing, tourism, retail, services, banking and almost every other sector you can think of. This has all impacted severely on the Governments income and therefore on its ability to maintain spending at current levels.

I have, like all members and other public servants, been angered by some wild and sometimes gratuitous comments in the media by some commentators such as IBEC, IEA and the usual anti public service commentators who are always ready to take cheap shots at the public service. Some of these people forget who profited most during the recent boom. They also have been very silent on the amount of government support given to industry, directly through the lowest taxes in the OECD and indirectly by way of supports in training, marketing etc.

The overwhelming majority of public servants have a desire to serve the citizens of this country and this takes very many diverse forms from direct services such as Social Welfare, Court Services, Revenue Commissioners, Education and so on to other areas that are also vital to proper functioning of society such as the Forensic

Science Laboratory, officials who worked for many years to bring peace and agreement on this island and the many other areas that work to ensure that we have the framework to live in a modern civilised society. I should of course acknowledge that there have been many of our politicians and public commentators who have been very fair and balanced in their comments on the challenges we must face together. The seriousness of the situation facing us is such that all citizens should join with the ICTU proposals for a solidarity pact to get us through the challenges ahead.

Many commentators have been looking at the problem from the narrowest of views and the reality is that it will take us a number of years to get our public finances back in to some semblance of what would be sustainable in the medium to long term. The €2bn being considered at present is only the first step on this road. ICTU are in negotiation with the Government on a package of measures. Most importantly this will include the spreading of the burden in an equitable fashion across those who can afford it most. Taxes will go up and some schemes will either close or be radically reduced. All sectors of society must play some part in this, and that includes us.

We must ensure, and I have no reason to believe that the Government so wishes, that there are no attempt to single us out for any unfair or disproportionate treatment. Bad and all as it is for public servants it has been almost forgotten in the pillaring of the banking sector is that the overwhelming majority of people who work in our banks are not on large salaries or in receipt of big

bonuses but in fact are on minimal salaries with temporary contracts. I have the greatest of sympathy with these workers.

I wish to make it quite clear that the only position taken by this Association is that we are opposed to cuts in salaries. We have indicated that we are prepared to look at how pay roll can be reduced. We were extremely mindful of the position of our former members who are pensioners and of current members approaching retirement during our discussions.

At this stage we do not have sight of any agreed document and therefore must discuss this issue in somewhat of a vacuum. Dave will give you all the outline of what ICTU has agreed in the context of no formal paper being agreed as yet.

We will circulate any documentation received to you all as soon as we receive it. At this time of year our Branches are holding their AGM's and it is vital that when we have these meetings that we are as informed as possible.

There is an old Chinese proverb "you cannot prevent the birds of sorrow flying over your head, but you can prevent them from building nests in your hair".

I now ask Dave to speak to the meeting on the status of the current talks.