

Report of the Consultative Council meeting held on Thursday 29th January 2009 at in AHCPs Head Office

1. Introduction by Chairperson Peadar Carpenter

The Chairperson in his opening remarks commented on the current state of the economy and the bleak global outlook. He was also strongly critical of the ill-informed comment by IBEC and certain sections of the media.

2. Report by General Secretary Dave Thomas

The General Secretary informed the meeting of the Association's position regarding the current talks. The Government *Draft Framework for a Pact for Stabilisation, Social Solidarity and Economic Renewal* was circulated to the meeting. The Executive Committee's position is that the Association is firmly opposed to pay cuts, the freezing of increments or any diminution of pension arrangements. The Executive Committee strategy has been to suggest a number of ways in which the current difficulties can be dealt with such as:

- an increase in taxation and a broadening of the tax base
- reduction in payroll costs through the introduction of early retirement/severance schemes and unpaid leave.

The Executive Committee also recognises that if our suggestions are taken on board that this may result in the:

- non-filling of vacancies
- greater mobility between the public/civil service

The Executive Committee held a very strong view that the tax burden should fall equally across all taxpayers and not be concentrated on the public sector. However, the General Secretary stressed that there were, as yet, no proposals on the table from the Government so he was not in a position to indicate what shape the outcome of the talks might take. However unpalatable solutions are more likely to be imposed on us if we are not involved in the talk's process. The General Secretary also indicated that the Revenue Branch had made a number of immediate income-generating tax proposals which he had passed on to ICTU. These proposals include an increase in betting tax. If implemented these could generate significant revenue. In relation to obtaining advice on the legality of making pay cuts, the General Secretary indicated that he saw little point in obtaining this advice until we see what the Government's proposals are.

3. Consultative Council Outcome

The general consensus of the Consultative Council was that:

- Despite being to the forefront of the current debate, the public service is

not responsible for the current economic crisis and should not be the only sector to contribute to the economic recovery.

- It supported the Association's strategy of strongly opposing pay cuts, the freezing of increments or any diminution of pension arrangements.
- It is important that the Association continues to influence the talk's process through our involvement in the Public Services Committee of the Irish Congress of Trade Unions.
- It is important that all the other public service unions stand together during this difficult time. .
- The Association should press for the introduction of an early retirement/severance package which will involve the non-filling of vacancies.
- The Association is in favour of broadening the tax base and paying increased taxes if this is shared equitably throughout the community at large.
- Extra resources should be provided to the Revenue Commissioners to deal with the underpayment/non-payment of tax.
- The Commission on Taxation should report earlier than next September and that it should make interim recommendations.
- Extra resources should be provided to the Department of Social and Family Affairs in order to deal with welfare fraud.
- A review of Social and Family Affairs schemes should be carried out in order to eliminate overlapping.
- The transparency in relation to salaries in the public sector should be reciprocated in private sector and that the annual reports of companies should include details of the pay levels of senior executives
- It is hypocritical of ISME to criticise public sector pay levels, which increased by 2.9% in 2008 according to the Central Statistics Office, when according to ISME, it's own members paid an average increase of 5%.
- There may be a need for a further Consultative Council when the outcome of the talks is known.
- The Association needs to review it's communications strategy and keep members up to date on the talk's process.