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## **CONGRESS: DECISION TO END TALKS A “CATASTROPHIC PUBLIC POLICY FAILURE**

The Irish Congress of Trade Unions said today (December 4) that it noted with astonishment and deep regret the Government decision to terminate discussions with the Public Services Committee on its alternative approach to achieving a €1.3 billion cut in the public sector pay bill.

“That this decision was taken following a hostile campaign of opposition to the proposals before they could be either finalised or explained is inexplicable.” said David Begg, General Secretary of Congress.

Mr Begg went on to say that he felt that an opportunity for public service reform was being lost and that it was unlikely to ever arise in the same way again.

“The people who condemned this union initiative out of hand concentrated solely on the bridging mechanism for 2010, which was only a secondary part of the overall plan. They failed to appreciate, or perhaps did not want to hear the detailed blueprints for medium term reform and cost savings set out in documents agreed for each sector of the public service, which were the primary focus of the union proposal.” he added.

Mr Begg reiterated the Congress view that the Government’s approach to cutting the Exchequer deficit was ‘too brutal, too quick’. A more balanced approach between taxation and expenditure cuts in the period up to 2017 had been set out in the Congress alternative 10 point strategy for *A Better Fairer Way* and in its Pre-Budget Submission.

The proposal for public sector transformation was one part of that strategy but it also included proposals to:

- Make the better off shoulder a fair share of the burden of fiscal adjustment;

- Protect peoples' homes from repossession;
- Reduce unemployment by interventions to keep people at work and using a National Recovery Bond to finance infrastructure;
- Maintain social welfare rates.
- Devise a strategy to protect private sector pensions.

In conclusion Mr Begg said "I profoundly regret that there is now no possibility of influencing a budget towards social solidarity. In time to come this will be seen as catastrophic public policy failure.

**Irish Congress of Trade Unions,  
32 Parnell Square, Dublin 1.  
Tel: (01) 889 7799; m 087 9174171**