



European Trade Union Confederation (ETUC)
Confédération européenne des syndicats (CES)

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**Irish Congress of Trade Unions
Biennial Congress**

9-10 July 2009

Tralee

To be checked against delivery

JM/lw 07/07/2009

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President, delegates, fellow guests, thank you for the invitation to address your biennial congress once again.

Two years ago, in Bundoran, I remember praising David Begg's thoughtful introduction to the report of your Executive Council and in particular his warnings about casino capitalism.

Well, a lot has happened over the last two years, and no one can say that the unions at least didn't ring the alarm bells.

We warned against this system expressly designed to make rich people richer and trade unions weaker; this system designed to make welfare states cheaper and inequality greater; this system of shareholder value designed in the Reagan / Thatcher era but continued ever since; this system centred in the English-speaking world in New York and London but infecting everywhere, with Dublin as an enthusiastic participant.

But now, this system has had a heart attack. And it is workers who are paying the price – with our taxes, with our wages and pensions, and worst of all, as unemployment soars, with our jobs.

The party caused by casino capitalism is well and truly over.

Actually, I am trying to stop calling it casino capitalism because someone told me that casinos are more efficiently and honestly run than many banks – and often more effectively regulated.

And now we say “no return to business as usual” as the banks, having been bailed out by the taxpayers, try to go back to their old ways, resisting tooth and nail modest proposals for regulation that are being discussed in Brussels and elsewhere.

It is not an exit strategy from Government spending we want. It is an exit strategy from casino capitalism.

Europe needs to be bold. And not just on banks but on the real economy too.

The European authorities, including national governments, seem nervous in the face of the crisis and are not, just when they need it, showing enough ambition and imagination.

Europe, with its funds for farmers, its structural funds and its access to markets, has powered prosperity in many countries. We need now a real recovery plan co-ordinated across the EU. The European Union is like a European trade union; whenever we do things together, we are more effective, more powerful and more impressive than if we act separately. We want a plan which keeps up wages, not bonuses. And a plan which leads to better balanced, more sustainable, greener economies. Less short term speculation, more serious investment in real, sustainable goods and services.

We have been campaigning on these themes and were overwhelmed by the support we received during our days of action in mid-May when we turned out 350,000 workers in 4 European capitals.

President, two years ago, you were also discussing the then named “Reform Treaty”, to become the Lisbon Treaty. On the margins of this Congress you were putting the squeeze on Taoiseach Bertie Ahern not to follow the UK in its “red lines” opt-out of the Charter of Fundamental Rights.

You won that one. But the wider issue is still with us, as you very well know.

Now, as a Briton, I wouldn’t presume to try telling the Irish what to do. I think only Saint Patrick and, perhaps, Jack Charlton got away with that. And I don’t want to emulate President Sarkozy either.

But as General Secretary of the ETUC, that counts your Congress as a most valued member, and as a European, I think I also owe you to be clear and frank about where we stand on the EU institutional issue. That is particularly the case as I have been quoted in pitiless detail by some, when it suited.

First, the ETUC supports ratification of the Lisbon Treaty and I hope the Irish people approve it. We don’t say it delivered all what we wanted by a long chalk. It missed some opportunities to reinforce social Europe. But we also said it was a step forward compared to existing provisions, for example in relation to the legal enforcement of the Charter of Fundamental Rights, commitments to full employment, the social market

economy, and public services. We urged European leaders to use it as the springboard for a more ambitious programme of social progress. We are persistently working on that.

We recently won equal rights for agency workers – a big step for Ireland and the UK – and stronger European Works Councils, so it is ridiculous to say that social Europe is inert. We want more, and want Europe to move forward, not remain bogged down in institutional wrangling, particularly in these perilous economic times.

My next recommendation to the ETUC will be that we move to take on the whole question of shareholder value driven companies. The crisis has vividly illustrated the short-term spivishness of not just the financial markets but of many of our leading companies. We need to build in responsibility not just to shareholders but to workers, communities, countries and the environment. We can't do that at the national level. But the European level offers a chance for progress.

Second, we have been campaigning for a “Social Progress Protocol”, seeking to rebalance four decisions of the European Court of Justice that we believe have subordinated fundamental workers' rights to the economic freedoms set down in the Treaties. You had a taste of this with the Irish Ferries case. Those judgments are based on the existing treaties, not on the Lisbon Treaty. The Lisbon Treaty with the newly enforceable Charter will help, not hinder, our position.

We have always been clear that we are not calling for the protocol to be attached to the Lisbon Treaty. Indeed we are the ones who suggested that Croatian accession may be the right occasion – or maybe Iceland's, whichever comes first. So there is no connection with the Lisbon Treaty ratification. There is no conditionality in the ETUC's support for Lisbon.

Third, there is the question of the “Irish guarantees”. We were glad that the Irish Government included workers' rights as part of its negotiations with the other 26 Member States. It was correct to do so: workers' rights certainly were a big issue in your referendum a year ago. From the polling I have seen, it was one of the issues of most importance for both the Yes and the No voters. I conclude that people do not think that Lisbon is a threat to workers' rights but rather that people want more.

And more is what we did not get. That is why we are – I am – disappointed, but not really surprised. The British government – mine – was at the forefront of those who opposed the initial Irish proposals

throughout the night during the European Council meeting last December and in the subsequent negotiations that gave us the so-called Solemn Declaration adopted by the Council last month.

The paradox is that the UK, in defending its red lines ostensibly aimed at protecting British industrial relations from foreign interference, in fact is tolerating the Court impinging on British and other European workers' rights to freedom of association and collective bargaining. But then, maybe it's not a paradox but just the rule that, given options on the strengthening collective rights at work, the British Government too often chooses the least favourable. I say that with some bitterness.

That will not stop us campaigning for our Social Progress Protocol and for a revision of the posted workers' Directive whose weakness is at the heart of many of the conflicts before us. The directive originally was meant to set a floor for terms and conditions. The ECJ has turned it into a ceiling and a threat to collective bargaining. It needs changing to provide that posted workers receive at least the rate for the job in the country of destination.

A single labour market in Europe must have adequate traffic rules, or people will turn against it and against Europe. There must be equal pay for equal work. The Lisbon treaty does not solve this problem, so our fight goes on. We are saving the EU from itself as well as repairing our fundamental rights.

And here I come to the heart of the argument. Europe is not an a la carte menu where you pick and choose what you want. It is a package that has done great things for Ireland and many others and it will need to do more great things before we can exit from this crisis.

European solidarity is essential in the face of the crisis and in support of the hardest hit economies. The adoption of the Lisbon Treaty helps, not hampers that process of solidarity, one reason, incidentally, why the British Conservatives detest it so much.

Anyway the fate of the Treaty is in the hands of the Irish people, and the eyes of the whole of Europe will be on you when you go to the polls on October 2. 25 countries have already made their decision and you will make yours. And to those of you who are minded to vote No, no doubt for good trade union reasons, before you vote just have a look at some of those in the rest of Europe who are praying for the same result – the

British Conservatives, the narrow, blinkered nationalists, the racists and the fascists.

Europe is far from perfect but it is a far better deal for working people than any of that lot will ever offer.

Thank you for your attention and good luck to Irish trade unionists and the people of Ireland.