

Government and bosses making workers pay for economic crisis....

NO ESB & GAS PRICE HIKES



Energy prices are out of control. Gas & ESB prices have increased by 20% and 17.5% respectively in the last weeks and now there are plans to raise them by a further 20% and 13% in January.

At the same time workers are being asked to accept a 3 to 11 month pay freeze – a de facto pay cut. For many hard-pressed families, these price increases mean this winter will be the coldest ever.

These price hikes are completely unjustified. Both ESB and Bord Gais are hugely profitable, with profits up a shocking 29% and 85% in one year.

These price hikes are being done purely to defend profits, and prepare the companies for privatisation. These hikes were given the go ahead by the energy regulator. This is answerable to the government - they have the power to overturn these price hikes.

But the government parties and the opposition have no problem with these hikes. They are all supporters of the 'free market' and are in favour of profiteering and privatisation. They will need to be

forced to act by mass protests. The ESB & Bord Gais need to be brought under democratic control by workers and consumers.

ECONOMIC CRISIS

Ordinary people, who work hard and pay their taxes, are being made pay the price for a crisis that they didn't create. This is being done through pay cuts, price hikes and cutbacks in essential public services like health, education and social welfare. At the same time the new Budget is set to include measures to protect the profits of big businesses, while the same bosses will put more and more workers on the dole.

Super profiteering, particularly in construction and property organised by the big builders and the banks and facilitated by the government, is an important

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reason for the crisis in inflation, in the government finances and in rapidly growing unemployment.

This government helped drive the property market to unsustainable levels where house prices quadrupled. This was sustained by extending huge amounts of credit to ordinary people. Billions was wasted, just going into the back pockets of speculators, the builders and the banks. The losers were ordinary people who needed homes but who were forced into paying many times the actual cost first to the builders and then again many times over to the banks. Many are facing decades of debt and the prospect of disaster if they lose their job, just so these vested interests can make obscene profits.

Putting profit before people

It was inevitable the property bubble would collapse but this government wouldn't change course as it is wedded to the capitalist market. Instead of planning the economy in a rational way and investing for the needs of the people, the government's over reliance on construction means that the damage to the overall economy is much worse. This is combined with the growing crisis in the world markets and means that Ireland is facing a crisis as serious as during the 1980s.

The wealth created during the Celtic Tiger and then the property led boom, has been squandered. It was not invested properly to develop a strong economy capable of catering for peoples' needs. Money was not put by for the rainy day when capitalism would inevitably hit a serious crisis. Instead it was used to cut taxes, primarily for the rich and big business. In comparison ordinary workers only got a small portion of the wealth they had created.

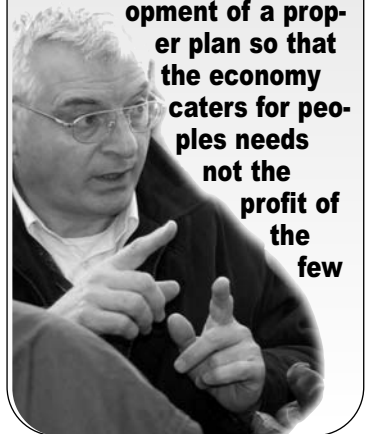
Opposition's solution... more of the same

The main criticism from Fine Gael as the leader of the "opposition" is that this government won't cutback enough. The solution of all the parties, including Labour, will be for less to go to public services and less to be paid in wages. Such attacks must not be accepted by workers. We simply cannot afford worse public services and less wages.

Such policies will not improve things but will make undermine the economy and make the crisis worse and threaten the prospect of new mass unemployment and new poverty conditions for many. The conditions that created the Celtic Tiger and the property boom, massive growth in foreign investment and massive extension of credit, cannot be repeated. The government and the capitalist market have failed and now the interests of the majority must come before the profits of the few.

The Socialist Party says:

- To price hikes - democratic control over the energy sector
- No to cutbacks in essential public services
- End the reliance on the market and profiteers to provide public services, no more privatisation
- Defend wages and living standards. For trade union action to fight for cost of living wage increases
- Fight job losses. Don't bail out the bosses and the banks. For state investment and initiatives to create jobs providing the facilities and services so badly needed in communities up and down the country
- End the reliance on the capitalist market. For democratic public ownership of the key economic resources and the development of a proper plan so that the economy caters for peoples needs not the profit of the few



I am interested in joining the Socialist Party I would like more information

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