

## Notes on Brexit (10 May 2017)

- The Irish Congress of Trade Unions represents over three quarters of a million workers on the island of Ireland. We are set to be the only trade union confederation in Europe that will represent workers on both sides of the frontier between the EU and the UK in 2019.
- Our position on the European Union project is clear. We believe that the European Union is vital to living standards, wages, public services and labour rights for workers and their families across Ireland.
- However, the EU needs to change. There has been a growing dissatisfaction with the policy direction of the Union over the last number of years. The diminution of the European Social model, we believe, has undermined the progress of European integration and given rise to a level of mistrust between the institutions of the EU and its citizens. Ireland along with certain other Member States suffered an unnecessarily severe and imbalanced fiscal adjustment in the years from 2008 to 2013 and such policy errors must never be repeated.
- Aside from a unique set of constitutional arrangements, the Republic of Ireland and the United Kingdom are inextricably linked by the scale and intensity of the trading relationship between them. The Republic of Ireland exported €13.5bn worth of goods to the UK in 2016 with a further €1.6bn to Northern Ireland over the same period, over 13% of total Irish goods exports. Northern Ireland exported just under €3bn worth of goods to the Republic of Ireland in 2015, over 30% of its total exports while Great Britain exported just over 15.5bn worth of goods to the Republic in 2016. This is in addition to the significant trade in services across the UK and Ireland.
- There have been many statements in the months since the Brexit referendum regarding the 'unique circumstances' on the island of Ireland and the necessity for the Brexit process to find a mechanism to negotiate them. Congress believes that the Belfast Agreement already provides the structure for dealing with these issues and that the agreement must not be viewed as an impediment to the negotiation but rather as a resource for it. The agreement places an obligation on the governments of the Republic of Ireland, the UK and Northern Ireland to act and make decisions in the best interests of all the people on the island of Ireland both economically and socially. The inter-governmental structures already exist and should be utilised during the Brexit process to ensure that decisions taken do not cause manifest harm to workers on any part of the Island. The EU itself has an obligation to ensure that all member states, present and past, live up to their obligations as set out in the agreement.
- Failure to come to a post-Brexit arrangement which protects trade and jobs would, we believe, necessitate a significant policy shift on the part of the European Union. Central to this must be an end to the straightjacket of fiscal rules that, effectively, discriminate against public investment. This is imperative not only for Ireland which is likely to be the worst affected Member State of the EU27 when Brexit happens but for all States in the Union characterised by under-employment, lack of public investment, pressure on productivity and living standards along with associated social crises.