

EU Austerity Treaty = more Household Tax!

CUTS IN SERVICES and extra taxes on ordinary people have brought nothing but unemployment and poverty – austerity policies have worsened the economic crisis.

Now we face the EU Austerity Treaty, supposedly to stop governments spending more than they raise in tax (a budget deficit). But the deficit is not due to high public spending. It is due to the collapse of tax income, caused by closures and unemployment resulting from the bank crisis.

The only way out is for the state to finance public works such as hospitals, schools, communications, etc. – as well as funding our public services. This gets people back to work and can help to redevelop the economy.

Instead, this Treaty would force governments across Europe to cut services and increase taxes. This would make things worse: more out of work and people with less to spend, more closures, long term poverty and deepening debt. That's what's happening in Greece.



campaignagainsttheausteritytreaty.wordpress.com
Call: 085 713 1903 or 086 326 6870

What happens if we say yes?

The rules of the Austerity Treaty would bring more cuts and tax rises: up to €6 billion more from 2015 to 2017 – on top of the current proposal of €7.2 billion in cuts and tax up to 2015. Given the collapse of private investment, strangling public investment with more austerity will bring more unemployment, poverty and stagnation – in Ireland and Europe.

What happens if we say NO?

The scaremongers who say that Ireland will be out of the euro and EU if we vote no are lying. Ireland will remain in the EU / euro-zone, but will not be in the Austerity Club. Sweden has an opt-out from most of the Treaty.

Ireland will not be isolated. An Irish 'No' will challenge the EU's austerity policies. It would be a vote to link with ordinary people in Greece, Spain, Portugal and across Europe, putting people and the environment above the interests of the super-rich and the banks.

Blackmail

The government's only argument to support the Treaty is the Blackmail Clause. This says that Ireland won't get money for a second 'bailout' from the ESM fund if we don't approve the Austerity Treaty.

Fine Gael and Labour agreed to put this Blackmail Clause into the ESM Treaty and the Austerity Treaty. But they also have the power to get it out, because Ireland has a veto over the ESM Treaty. If they want a free and honest debate on the Austerity Treaty, they could veto the ESM Treaty until the Blackmail Clause is removed.

Democracy – RIP

The Austerity treaty would turn elections into a total sham. No matter what government

was elected, or however big a protest movement, austerity policies would be permanently in place. This Treaty would put the decisions on budgetary policy into the hands of the European Commission and the European Court of Justice. Merkel and Sarkozy want this Treaty because it would ensure payback to their banks – enforced by the EU.

Where would we get money?

The government will have a deficit of about €18.5 billion this year - €5 billion of which is going to the Anglo and IL&P bailout. Ireland also has a huge debt because the state took on the gambling debts of the banks – at the insistence of the EU. So the first step to raising money is to stop paying bank-related debt – it's not our debt – and remove billions in debt and interest payments from our shoulders.

The next step is to tax wealth. The richest 5% in Ireland have net financial assets worth €117 billion. A 5% tax on these assets could yield about €5 billion a year. This could get 250,000 people back to work and reduce the deficit by about €4.5 billion a year.

Life before debt!

These first steps, along with major public works, are vital to stop the impoverishment of our people. Money is available: the ECB recently loaned €1000 billion at 1% interest to European banks. This could have gone to governments for jobs and public works. The Austerity Treaty would do the opposite: cuts and poverty – to guarantee the banks' debts.

What you can do

Stopping the Austerity Treaty is a vital for stopping the household tax, the public service cuts, and the wage reductions. Contact the Campaign Against the Austerity Treaty to find out more and to discuss meeting in your area.