



Alþýðusamband Íslands

Central Committee Resolution (draft):

General resolution on the labour market

The 44th ASÍ Congress demands that the government focuses its public spending on measures that benefit the general public, and that furthermore ensure that the COVID-19 crisis does not threaten people's economic and housing security. That unemployment is reduced, and long-term unemployment is prevented. The ASÍ Congress also demands that the basic unemployment benefits are immediately raised to follow the minimum wage development, and that the maximum amount of income-related benefits, for low and middle-income workers, is raised. That the benefits period is extended from 30 to 36 months. That those homes that lose income due to reduced pay or unemployment are ensured a payment freeze, to prevent a long-term debt crisis.

The Congress expresses its concern about the situation of vulnerable groups that could be hit particularly hard by the crisis. The number of young people who neither work nor study is growing, and the pandemic might add even further to that development. Foreign workers have been hit very hard, and the unemployment rate in that group is disproportionately high. Workers in the tourist sector and related sectors have been hit especially hard, and the same applies to those working in the arts, culture, and event sectors. The prevalence of precarious employment has added to the problem, and the problems of those who rely on that employment form has not been sufficiently addressed in the government's measures. Long-term unemployment has increased, and there is an urgent need for more service and better employment and education options for job seekers, and especially for vulnerable groups. The government, in close consultation with labour associations, should form an employment policy that focuses on full employment and the creation of decent jobs, and that policy should be implemented immediately. It should support a *just transition* and diverse economy, and strengthen the country's infrastructure. Public investment has been cut, despite the government's promise of greatly increased investment.

The 44th ASÍ Congress demands that public spending is decisively used to soften the blow from the crisis, and firmly opposes any notions of the public being made to pay the cost of the

government's rescue measures, through cuts to public services, and increased income tax and service charges. Despite increased debt, the state treasury stands strong, interest rates are at a historical low, and the Central Bank's foreign exchange reserve has never been bigger. The government's task is to prevent unemployment, and to ensure that a potential inflation and devaluation does not lead to a finance and debt crisis for individuals and homes. It is essential that the authorities and the Central Bank collaborate to that end. Employers who have already received considerable support from the state treasury, as well as other support from banks and credit institutions, must also shoulder their share of the responsibility, by respecting the collective agreements in place, upholding the employment level, and preventing unnecessary price increases which could cause inflation. The ASÍ Congress demands that public funds are channelled into society in a transparent manner, with the aim of supporting workers and homes in this country. People's income must be protected!

The ASÍ Congress stresses that the decisions made during a crisis can have a critical impact into the future. They can determine the state of income and debt for the next years, and even decades; they can increase inequality, but they can also lead to more equality. The labour movement has a univocal right to be involved in all major decisions made during these times. Decisions must be based on a clear vision for the future, in line with the proposals set forward by ASÍ under the title *Rétta leiðin: frá kreppu til lífsgæða og öryggis fyrir okkur öll (The Right Way: out of crisis to a good life and security for us all)*, that are based on ASÍ's policy, and that define immediate action, how to build back better, as well as follow-up actions.