



ILO ACTRAV Symposium
Speech 11 December 2013, 14H30,
Defending and Extending Public Services
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Thanks to Frank and Anna and the team at ACTRAV. And congratulations for the briefing paper, it sets out many of the realities and even offers some glimpses of solutions

Sadly, inequality is at the top of the global agenda, as is unemployment. Looking at inequality allows us to get to the root of many current problems. But inequality is not just a bunch of statistics, compared... Inequality is lives spoiled, damage done to workers, families and communities, deep, enduring injustice, hitting especially hard women and young workers.

In the few minutes that I have, I will try to show you what public service unions around the world are facing, and what they are doing about it. I don't want to re-state the importance of Quality Public Services - QPS to our common well-being, whether it is universal access to clean water and sanitation, health and social services, education, modern energy, public transportation, justice, and so on. Without these QPS, our societies will not grow, and inequality will rise, with all the attendant ills. Your paper makes the case.

Most of your recommendations require a stronger, not weaker public sector, and stronger, more engaged democracies. Better policies and better enforcement. We need more collective solutions to our collective problems – the ultimate one being the global threat of climate change. As the ITUC says, there are no jobs on a dead planet. And as Nick Stern said, climate change is the biggest market failure the world has seen.

But so many actors want to shrink government and privatise, individualise, financialise, marketise... And eliminate the collective power of workers and trade unions.

Let me quickly sketch the problems our members have witnessed with privatisation – which does not receive the attention it deserves in your paper.

Profit maximisation is relentless. Its strength lies in its simplicity. Market actors can pursue one goal above all, and come up with innovative ways to achieve it. Post-privatisation, our members have witnessed mass layoffs, outsourcing, contracting out, casualisation, low-wage migrant labour, job exports. Lots of innovation.

In many developing countries, we have seen false promises of private sector investment. All over, we are seeing corporate capture of our legislative, executive and judiciary. And this trend is growing throughout the UN as well. And, as recently brought to light by the ICIJ and others, massive tax evasion.

Our unions are fighting back.

We know the importance of public services. We want the tools to do our jobs. Solid and safe careers. The pride of a job well done. Of solid communities, well served. Instead, staff are cut, tools and training are degraded, investments in new services are blocked, in operations and maintenance are shrunk. Our members are forced to make too many compromises, and nowhere is this more painfully evident than in the health and social services, where our caregivers no longer have the time to deliver the care that our people need. Which is why we are focusing on staff-patient ratios – we need the time to give care.

One of the main lessons we have learned is that the labour movement does not have enough power on its own to change our societies. Often, we can be the backbone of a change process, but the game is so big that we can't win alone. It is no longer enough just to focus on collective bargaining and grievance handling. Nor can we make change only at the ballot box. We must educate and mobilise in new ways, with new tools and, importantly, with new

partners. And with new thinking. Luckily, the unions have long experience in education and mobilisation. The challenge is new thinking and new ways of acting.

My personal experience has been in water and energy, both key building blocks for any societies.

When the World Bank and IMF were squeezing Latin American countries, many did their bidding and now deeply regret. But the small country of Uruguay, and the even smaller union of water workers decided to resist the privatisation imperative which was being shoved down their throats.

The union leaders knew the dangers of this policy because they had access to PSI information from other countries. And they could just glance across their border into Argentina. But what to do? David vs Goliath. The first thing they did was to create the 'Comisión Nacional en Defensa del agua y de la vida', to bring under one roof a bunch of different actors – NGOs, academics, politicians.

Then, they decided to engage the referendum mechanism to block the forced privatisation. They set up a referendum campaign structure, timelines, budgets, responsibilities. However, the union leaders took heat from their members, who asked them why they were engaging in this political adventure when their collective agreement needed settling and grievances remained outstanding. This was an eye-opener for the leadership, who assumed the members would 'get it'. The leaders then went to each and every worksite and engaged the members in the strategy. Eventually the campaign was successful, the constitution, and the government were changed, public water ownership and management was guaranteed.

Recently, our European affiliates and a bunch of allies, inspired by this experience and others, successfully used the European Citizens Initiative to block proposals for commercialisation of water services in the EU – they collected 1.8 million signatures in their petition.

My main points are :

- Be informed of the implications of what the politicians are deciding, before it is too late
- Be ready to engage with other actors
- Be bold in your plans and actions
- And above all, don't forget to educate and mobilise your members

And now, the union and the public water utility of Uruguay are helping us with another of our strategies, which is to replace public-private partnerships (read privatisation) with public-public partnerships, where utilities help each other without looking for mergers, acquisitions, sales of proprietary systems, but out of solidarity. This alternative is gaining ground around the world, as the privateers have proven incapable of providing water and sanitation for all, but especially not for poor communities.

As well, we are helping a number of cities remunicipalise the privatised services. This, too is taking off, and our latest count is 86 remunicipalisations. We expect to reach 100 soon.

We also supported the successful UN General Assembly resolution in 2010, initiated by Bolivia, affirming the human right to water and sanitation.

All of this work is being done in coalition with a wide range of actors, which requires maximum flexibility from all of us, but also commonality of purpose.

But we are now up against a very aggressive corporate push, which wants to remove water from the commons, as it is essential to their profits – including the giant agro-industry players, chemical, mining, manufacturing, even insurance and finance.

In energy, we have seen many privatisations fail because the expected rates of return were too high – 20 to 25% per year. Our unions have helped block many big ticket (and often corrupt) energy privatisation proposals – mainly by engaging the political sphere, with allies. Our union in Thailand was the first to stand up to the greed of the Thaksin family, which had privatised the oil industry and the telecoms to their own family and friends. Our union did it by creating a national social movement to save their strong public utility from IMF edicts.

And our energy union in Kenya has successfully fought a campaign to end massive outsourcing, bringing back many thousands of precarious workers into regular employment.

And now, we are looking at how cities and rural areas can build their own public renewable energy systems, rather than providing public subsidies to private profits. Germany is leading on this, but we are convinced that public ownership and management offer the best solutions to our growing towns and cities which need electricity – more and more of it.

Increasingly, we are convinced that our solutions must be local, and we are focusing on the political machineries which run our cities. Too many cities are given unfunded mandates by national governments : responsibilities to provide services but no funds to do so.

Public services do cost, and the best way to ensure universal access is through taxation, fair taxation, redistributive and equitable... For the vast majority of countries, it is affordable. In fact it is essential. That is why PSI is engaged in the global Tax Justice campaign, including the Financial Transactions Tax.

Also, it is why we have a delegation at the WTO meeting in Bali, because the trade agreements are focusing more and more on services, including public services. But it is not only WTO, but the trade in services agreement TISA, the trans pacific partnership -TPP and a myriad other trade and investment agreements, all seeking to limit government abilities to deliver services or to regulate in the public interest.

Connecting local to global, reaching out to new actors, making bold new proposals based on a broad understanding of our work environment.

Just as any union in the private sector must understand their corporate employer and what makes them tick, in public services we must do the same, which means understanding and engaging the political system – our employer.

Your paper touches on corruption. we see too much of it, at all levels. PSI will push for ILO protection for workers in the public controlling bodies – in the auditors general, regulators, etc., to ensure their autonomy, independence, and non-interference for the politicians. We also will focus on protections for whistle blowers, those brave workers who put their jobs and their lives on the line to denounce corrupt practices.

We are also pushing for much more transparency, accountability and participation in public procurement. The right to information is crucial for our work.

In the North, we are seeing a new assault on labour rights in the public sector – austerity is providing the excuse. This attack on public sector unions is aimed at the whole labour movement, as in many countries, the public service unions are the last bastions of organised labour. First, the right to strike is removed. Then, the right to bargain wages and benefits. Then, collective bargaining itself.

Or, we see increasing incursion of private sector labour law : non-standard contracts, agency workers, outsourcing... hidden privatisation, often aimed at weakening unions.

Our unions are engaging campaigns to ratify Convention 151, protecting the right to organise in the public sector. Many of our members still don't have these basic rights.

We are supporting in-sourcing campaigns, as evidence is mounting that outsourcing actually ends up costing more to the public administration which uses it.

The morning session dealt briefly with the social protection floor. This is a key ILO initiative aimed directly at the growing inequality. It deals with what are essentially public services which shouldn't become commodities. But it is clear that we will have to fight for this set of policies, and others.

We also heard about migration. This must be a priority for all trade unions. We are working with health unions around the world to protect the millions of migrant health workers, both before they leave and after they arrive in their country of destination. When public services are cut, the damages to workers and families is such that many migrate. These workers are not moving for fun. They deserve the protections of unions. The labour brokers and agencies must be reformed.

I could go in much more detail on all of these issues. I didn't mention the need to influence our national governments on the negotiations of the post-2015 agenda, the sustainable development goals. The need for solid research with which to influence policy and decision makers. The role of national aid agencies in using their development aid for getting contracts for their own companies. The amount of aid funds spent convincing governments to deregulate, liberalise and open to market actors. The dangers of the recommendations of the G20 that governments rely on private finance for building infrastructure, including from worker pension funds. The fundamental impact on women and children of all of the cuts in public services. And many other issues about public services.

In terms of suggestions for ILO :

We need a stronger voice for workers, including public services workers.

Stronger trade union involvement in the technical departments of the ILO, and in particular those that should deliver on equality, youth, gender, migration issues.

We are concerned that about the alternative dispute settlement system to the ILO Committee of Experts , it is unclear and not sufficiently debated within the trade union movement.

We need new strategies that are focussed more on those groups that are being pushed out of formal employment, including young workers.

More social dialogue activities in public sector at local and national levels.

See some of our research on why we need public spending, and on corruption is on the side table.