

Public Services International

30th World Congress
Geneva, 2017



PEOPLE OVER PROFIT

General Secretary Rosa Pavanelli's keynote speech to the PSI 30th World Congress

Sisters and Brothers, Delegates, Distinguished Guests,

Welcome to the 30th PSI Congress.

I am delighted that so many of you have joined us for this week of discussions, where we will take decisions that will shape our work for the next 5 years.

I hope that you enjoyed the opening ceremony, especially the performance by Violonissimo. The virtuosity of these engaging musicians is a wonderful example of what the future should look like: enthusiastic young people playing in harmony, oblivious to differences of skin colour, race, gender, culture or religion. A future where globalization stands for solidarity and equal rights for all. Where "people over profit" underpins development.

This congress celebrates the anniversary of PSI's foundation. Over the past 110 years, PSI has been true to its values: defending public sector workers, building a strong presence on all continents, standing up against all forms of discrimination, and combating dictatorships, oppressive regimes, violence, authoritarianism and fascism. Our rich history and attachment to our principles have taught us to recognize the dangers of selfishness, a trend which seems to be on the rise in so many parts of the world. Today, reality is being distorted, exacerbated by the xenophobic and illiberal rants of the right, and accompanied by the siren call of the free market that promises prosperity for all but enriches only the few.

This Congress also coincides with the 100th anniversary of the October revolution. I mention this not because we are nostalgic Leninists, but because it was the first time that the conditions and role of the working classes became a global issue, shaping the historical events that unfolded over the course of the last century. In fact, its influence is still felt throughout the world today.

I would like you to reflect on the five years that have elapsed since our last Congress in Durban. My intention is not to list the dozens upon dozens of seminars, conferences and meetings

which PSI has organized with your help. You will find all the details in the many reports we have shared with you. Rather, I'd like to look at what we have achieved and, more importantly, examine whether we are on the right path.

After the Durban Congress, we decided that we needed a strategy to avoid stretching ourselves too thin. We combed through the many objectives in our Plan of Action in order to identify our priorities. We then sorted these into macro areas and thematic clusters, ensuring that all aspects relating to the defence of jobs and the quality of public services were included. We also wanted to show how these have evolved in lockstep with the global economy, particularly as the public sector has shrunk since the financial crisis of 2008.

In 2013, the Executive Board endorsed a road map -- "Working for the Alternative" -- which covers four priority areas: combating privatization; strengthening trade union rights; influencing global policies; organizing and growth.

Taking our cue from the Action Plan, "Working for the Alternative" helped us work out a method and strategy to boost the role of PSI. Perhaps more importantly, it strengthened our conviction that the best way to challenge the status quo is by being proactive and pooling our efforts.

I'd like to share four success stories showcasing PSI's achievements over the last few weeks.

A few days ago, the Indonesian Constitutional Court declared the privatization of the water utility in Jakarta unconstitutional. We are now reaping the benefits of a decade-long battle waged by PSI and its allies. We have notched up another victory, keeping yet another service in the public sector.

The Philippines ratified ILO Convention 151, the first Asian country to do so. Our Filipino affiliates worked for this for many years, and their efforts have now paid off. That success must be shared with the entire PSI family, staff, JHL and SASK all of whom did their fair share.

After its founding congress, NAHWAL was recognized by the Liberian government. The Ebola epidemic in Western Africa claimed the lives of almost one thousand health workers. Under Liberian law, public sector employees are not allowed to form a trade union. Joseph Tamba and George Poe, the two leaders of the NAHWAL union, were fired because they denounced the lack of personal protection equipment and the terrible working conditions imposed on health personnel during the crisis. Over the past two years PSI has been working on a project in West Africa which is supported by Kommunal, Unison, and Union to Union, with the help of Jichiro and SEIU. It aims to: guarantee freedom of association for all workers in the sector; shine an international spotlight on all violations of workers' rights; and argue that resources should be allocated for quality public health services.

NAHWAL held its first congress a few weeks ago and it was recognized by the government. The leadership of the union was reelected. With the support of PSI it filed a complaint in the

International Labour Organization against Liberia for its denial of trade union rights. Many affiliates lodged protests with the Liberian embassies around the world in support of our colleagues' struggle. This is a collective effort which we will pursue until Joseph and George have been reinstated in their jobs and the trade union has been recognized. By next week we will know who is going to be the new President of Liberia. Hopefully, George Weah will be able to show that he is a real champion and that he will manage to score a goal on behalf of us all.

Our two brothers from the independent unions in Egypt, Sahar and Tarek, cannot be here with us today. But the fact that Tarek and 8 other unionists, who were arrested for defending freedom of association, are now free is due in no small part to the mobilization and pressure of PSI and its affiliates throughout the world.

Although these are just a few examples, they show that there is great merit in working together and that when we are united we can make a difference.

ADVANCING TRADE UNION RIGHTS

Upholding trade union rights is at the very centre of our activities. Today, PSI's visibility has been enhanced through its work with the ILO. We participate not only in the Committee on the Application of Standards, but also in all the other committees that meet during the International Labour Conference. We have also presented dozens of complaints and observations.

PSI made a major contribution to the discussions on migration, workplace violence, the review of Recommendation 71 on the transition from war to peace and on global supply chains in the tripartite meetings on public administration and health services (incidentally, many of these meetings hadn't taken place in years). We were also among the prime movers behind the request for an international standard to protect whistleblowers, particularly employees working in supervisory bodies. Our successes in all these endeavours was made possible only because many of you provided such strong support and backing to PSI in the various committees.

From the United States to Brazil, from Egypt to the United Kingdom, from Swaziland to Japan, more and more governments are seeking to introduce reforms that undermine freedom of association, the right to collective bargaining and the right to strike. Trade union rights are human rights, and to negate those rights is to attack the dignity of workers and to undermine the very principles of democracy. In Egypt and Guatemala trade unionists are assassinated with impunity; in Turkey 100,000 public sector workers have been fired and dozens of colleagues have been arrested without any proof that they were involved in the alleged coup d'état in July 2016. These are just three of the countries where PSI and its affiliates are fighting to defend democracy where it is under threat. And in South Korea, the active participation of our affiliates in the "candlelight campaign" helped sweep away an authoritarian and anti-union regime, even though we are saddened to see that the President of KCTU, with whom we express our solidarity, unjustly remains behind bars.

We are also involved in projects to combat precarious and informal work in the public sector in India, Nepal and Pakistan, and to organize private health sector workers in the Philippines. There are other projects to help young workers in the Southern Cone and in South Africa, as well as migrants as they embark upon their long journeys. We have a vast range of initiatives that aim to reaffirm the dignity and importance of employment throughout the world. In this we are helped by the contribution of so many trade unions that provide the resources and who align their international solidarity policies with PSI's objectives.

FIGHTING PRIVATIZATION

Austerity and cuts in public spending still continue, in spite of the fact that even the financial institutions recognize that they have generated more inequality and unemployment than during the crisis in 2008. Evidence, if it were needed, that the attack on the public sector, trade unions and our welfare systems is wholly driven by ideology. But we are not discouraged; on the contrary, over the last few years we have expended a lot of energy on unmasking the many lies that our adversaries use to protect and expand their own interests and privileges.

PSI's fight against privatization is reflected in the Quality Public Services campaign in which we have been engaged for some time. We have studied privatization in its different manifestations (outsourcing, tendering, concessions, public-private partnerships) and shared the results of studies and research with our affiliates so as to equip them with the arguments they need to discredit the claims of our opponents. I mentioned earlier our success in Jakarta. In other parts of the world, however, we are also supporting our affiliates in their fight against the privatization of public services in many national campaigns: from Brazil to Nigeria, from Uganda to the United Kingdom, from Australia to Liberia, even in Mauritius. We have created local alliances and built international solidarity, denouncing the interests of foreign investors and their efforts to put pressure on local governments.

In spite of persistent difficulties, services are increasingly being renationalized, particularly in the water and energy sectors. In fact, today we count no fewer than 1,000 examples. This year, the UN decided - prompted in part by PSI - to award "Eau de Paris", the Paris public water utility, the prize for best public service. This change gives us cause for hope and motivates us to continue.

The damage caused by PPPs to the quality of services, their accessibility and long-term impact on public debt is another matter of grave concern. Thanks to our painstaking and documented reports, we have been able to raise these issues in various international fora ranging from UNCTAD to the Financing for Development Forum, and from the IMF to the UN High Level Commission on Health Employment and Economic Growth. Our arguments are at last being heard, and there is a growing realization that PPPs are the wrong choice for sectors that have a high social impact, such as in the health sector, education and water services.

It may seem that we have not achieved much, but remember that only two years ago at the Financing for Development Conference held in Addis Abeba, we constantly heard the mantra of the need for private capital to invest in PPPs.

It took time and force of argument to change the minds of our colleagues in the ITUC and the other GUFs, convinced as they were that PPPs were an instrument for development, job creation and investment returns, and also for pension funds. And yet, thanks to our criticisms, publications, our alliances with many movements involved in local and global campaigns, and also to the pressure we brought to bear on international institutions, we managed to sow the seeds of doubt, to chip away at the belief that the private sector does everything better, and to show that people should come before profits. Perhaps our greatest success was with ComHEEG, the UN Commission on Health Employment and Economic Growth. Thanks to your contribution and proposals, as well as to the efforts of the PSI staff working around the clock, we were able to provide convincing examples based on hard evidence which, as Richard Horton the Director of The Lancet and coordinator of the Committee of Experts noted, could not be refuted.

This was the first document produced by an international body (and approved by the UN General Assembly) which not only calls for the hiring of 40 million health workers by 2030, but also for the first time suggests that the privatization of the health sector could have an adverse effect and will not bring us closer to achieving the Sustainable Development Goals.

Our successful work in this area should inspire us to be even bolder in the future and to strive for more.

In December 2015, AFSCME hosted a meeting of the leaders of the largest unions affiliated to PSI in order to discuss how we can build our capacity to combat privatization. We took this as our cue to consolidate our alliances with NGOs and civil society organizations so that we can share our objectives, information, research and experiences via the network; we will soon be doing the same thing with our campaigns. This gave birth to "Privatization Watch", a newsletter which now has a readership of 5,000. I would invite you to take a look at it and to subscribe if you have not already done so.

This digital platform, which I shall be showing you over the next few days, will I hope as of next year be used as an instrument to connect all those fighting against privatization around the world, providing a space to exchange information and experiences, to provide mutual support and to monitor the activities of multinationals (and their subsidiaries) that are eager to get their hands on all the public services in every country. It is an instrument that is already being supported by our partners and creates a huge potential for making our actions more effective. Provided, of course, that you are all on board and that you contribute actively to the exchange yourselves.

INFLUENCING GLOBAL POLICY

Our structural and strategic approach has allowed us to influence global policies in favour of public sector jobs and services. They have been integrated into two of our most successful campaigns: one against multilateral free trade agreements and the other in support of tax justice.

Here, too, we were the only ones to warn of the dangers inherent in CETA, TPP, TTIP and in particular TISA. There were few national trade union centres and GUFs that shared our concerns.

It is with a sense of deep pride that I mention the great work done by PSI to provide training and information about TPP, TTIP and TISA, not to mention the campaign we organized against CETA. This allowed thousands of our affiliates to fully comprehend the arguments necessary to sway public opinion and influence political decisions. Our ability to bring together a vast coalition of forces provided the catalyst that led to the organization of hundreds of demonstrations around the world with an extraordinary level of participation.

Today the situation is somewhat confused. CETA has entered into force provisionally. The Trump administration has pulled out of TPP, but negotiations with the other 11 countries continue. TTIP negotiations have been frozen, but the European Union is pressing ahead with a number of bilateral agreements with Japan, India, the Philippines, Nigeria and other countries. No fewer than 16 countries in the Asia Pacific region, including China, India, Japan and Australia, are involved in negotiations on a "Regional Comprehensive Economic Partnership". We still have our work cut out for us, but one thing we do know for certain: we cannot allow economists and negotiators to discuss free trade agreements in secret behind closed doors. We need to get the issues out into the open. This is a lesson we have learned from US elections when all the candidates took a stand against TPP. We can also learn from our brothers and sisters in Uruguay and Paraguay whose lobbying activities led those two countries to withdraw from TISA. Occupying the streets and getting our side of the story onto the front pages of newspapers allows us to influence political decisions. This strengthens us and weakens our opponents.

Our campaign for Tax Justice is something else we can be proud of.

Three years ago, how many people would have bet that taxes paid by multinationals would become the explosive issue it has become for politicians today? Indeed, many thought that the OECD's BEPS (Base erosion and profit sharing) programme would cause simmering discontent to die down. Today we know that this discussion is no longer the preserve of the experts and it has been brought out into the open.

Now I am not claiming that this was all our achievement. Clearly the disclosures from LuxLeaks and the Panama Papers revealed the extent of the multinationals' tax avoidance and evasion activities. They also uncovered the intricate and tangled web of favours between politicians and multinationals. This was the real scandal and the reason for growing inequality.

On the other hand, we instinctively felt that something was seriously wrong and that is why we thought the time had come to take up the challenge. As a result, we were instrumental in creating ICRICT, the Independent Commission for the Reform of International Corporate Taxation. This body has played a key role in international discussions on development financing. One of our tasks was to explain to trade unionists in plain language how the complex structures and loopholes used by multinationals to avoid paying taxes worked, and to develop training courses on these issues for them. We also carried out case studies on a number of these companies. Without the vital contribution of SEIU and EPSU in the campaign against McDonald's in Europe, and of ITF in the campaign against Chevron in Australia, the two companies would never have been pursued by their governments for the damage caused by their tax avoidance schemes. These campaigns resulted in the EU investigating McDonald's taxes; and Chevron being required to pay \$10 Billion in back taxes.

More importantly, we were able to show that we have the power to challenge the system and that David can conquer Goliath.

Here, too, we were served well by our ability to build alliances and create synergies with many other organizations. This in turn gives us the capacity to influence political decision-makers.

I would be remiss here not to mention the help we received from the Friedrich Ebert Foundation. Our desire to influence outcomes can only take us so far. They stepped up and supported us right from the outset, at a time when many did not believe that free trade trade and taxation were issues that could feature in the trade unions' mass political campaigns.

Today, PSI's visibility has grown in all the UN bodies in which we participate, and in many cases, we are the only global union federation to represent the workers. The role we play is appreciated and recognized by dozens of international partners. The work done on the Sustainable Development Goals is evidence of this, as is our participation in the CSW (Commission on the Status of Women) and the Global Compact for Migration. Our credit is gradually building up as the voice of the workers and trade unions on a wide variety of development and equality is increasingly acknowledged.

Our work in the OECD has become more selective and is aligned with our own priorities, for example the privatization of public services, governance in public administration, taxation and multinationals, corruption, health, public utilities and digitalization.

I have already spoken about our work at the ILO, but there are two subjects I would like to address more specifically.

The first is the memorandum between the ILO and ISO regarding the definition of safety standards for workers. We have expended a lot of effort over the last two years convincing the national centres to reject the ISO standards. The proposals in themselves were not acceptable, but they would also have been quite dangerous for another reason. The Memorandum would

have allowed the ILO to outsource its own special function, i.e. the protection of workers, to a private body in which the workers have no voice! Our job is to defend ILO's tripartism and the role of the unions.

Attacks against the tripartite system are coming from all quarters, starting with the World Bank's safety standards and the OECD's plans for dignified work. The goal is clear: to undermine the role of the ILO which is the only international organization in which the trade unions are on an equal footing with, and more importantly, have the same status as the other parties.

The second argument is about the right to strike. During the 2012 Labour Conference, the employers' group challenged the interpretation that the right to strike was covered by Convention 87, in spite of the fact that this principle has been consistently endorsed by the Committee on the Application of Standards. The work of the Committee of Experts and the Committee on the Application of Standards ground to a halt as a result. In 2015, an agreement was reached between the workers' group and the employers' group which, in a nutshell, redefined the role of the Committee of Experts and placed the right to strike and the right to lockout on an equal footing, and denounced the interpretation that Convention 87 provides international recognition to the right to strike. The workers' group was not consulted on the final text of the agreement which was renewed last spring without any discussion in the workers' group or between the GUFs.

Personally, I think that this was a very serious mistake and preventing any discussion of the different positions between the trade unions is simply unacceptable.

As to the merits of the agreement, I would leave it up to you to judge, you who day in day out witness restrictions on the right to strike and even its criminalization, which sometimes leads to arrests, as happened to 200 of our colleagues in Spain.

When the social dialogue is hollowed out because collective bargaining is impeded, when the right to form a trade union is undermined, when the right to strike is denied, what instruments do workers and trade union have to ensure that their voice is heard?

Maina Kiai, UN Special Rapporteur on the rights to freedom of peaceful assembly and of association, recalled that "the right to strike is a fundamental one enshrined in international human rights and labour law, and that its protection is necessary in ensuring just, stable and democratic societies".

ORGANIZING AND GROWTH

There is one area where I must admit our results have not met our expectations: organizing and union growth.

We are revitalizing our global networks in the sectors of health care, local authorities, education and culture, and national administrations in line with the mandate we received in

Durban. However, there are still gaps and difficulties in the regional networks. We need to expand the coverage of our existing networks and create new ones for energy, water and waste management. This would allow us to respond quickly to the needs of our local affiliates, to monitor privatization processes and ensure that our campaigns are rooted in local communities.

The Women's Committee, too, has reminded us on many occasions that there is still a wide gap to be bridged between the large number of women workers in our sectors and the effective presence of women in leadership positions amongst our affiliates.

Even at this Congress, look at the heads of delegations, general secretaries and presidents, and sadly you will see that not all the unions respect the gender equality rule.

The same can be said of youth, a subject that has aroused passions at many meetings of the regional executive committees over the past few years. And yet, the facts speak for themselves; there is still too much resistance, even when it comes to nominating candidates for positions on our statutory bodies. When I was 30 years old, the leaders of my trade union decided to trust the young generation that had emerged from the student protest movement. They gave us space and allowed us to take on leadership roles in our organizations. Today we must follow their bold example if we want the unions to have a future and if we want to avoid dashing so many hopes.

Over the past 5 years our membership has continued to decline - a cause for much concern. We had hoped to grow our membership, but the attacks on public sector jobs have affected our affiliates and, by the same token, PSI.

Although there are differences between the regions, actual membership numbers have not fallen that much. Nevertheless, we have felt the impact on our resources resulting from declining membership in countries paying 100% of the affiliation fees as well as the effect of lower salaries, often due to the transfer of workers from the public to the private sector.

At present there is no cause for alarm, but we do need to step up our efforts to attract new members in order to safeguard the future. To expand membership, we need to invest in organizing and recruit workers in the social services, private health care and waste management. There is also great potential for growth among our current affiliates, if only we could convincingly show that by pooling our strengths and generating synergy everybody wins.

FINANCIAL REPORT

Let me begin this section by saying that you will find the financial report and the report of the member auditors in your documents.

Some of you might remember that our 2012 accounts showed a large deficit which threatened PSI's financial stability. This situation was created by the very high costs associated with our

Congress in Durban. Then, in 2013, we were involved in a legal dispute and faced with non-budgeted costs amounting to several hundred thousand euros. To balance the budget we were forced to cut our structural costs. We closed some of our sub-regional offices; we decided not to replace some of those who retired; and we introduced a 2-year freeze on staff salaries. We know that this has entailed major sacrifices, and for this I wish to thank the whole of the PSI staff.

We also cut our financial contributions for the sub-regional meetings, trying to synchronize our activities so as to avoid duplicating costs without upsetting participants. Many of you have helped us by hosting events, offering PSI office space and contributing to staff costs - especially Brazil, Argentina and Japan. A heartfelt word of thanks go to you all - without your help and the efforts of our staff, we would not have been able to consolidate our balance sheet, nor would we have been able to put the planning of our activities on to a sounder footing.

I think that with just two small increases in affiliation fees in the last five years we have achieved a remarkable result.

In the future, we must apply the same rigour and ethical approach to the management of our finances both at headquarters and in the regions. It will be up to the leadership elected this week to consider very carefully how we can secure the resources we need for our work and how we can create more synergy.

PEOPLE OVER PROFIT: THE NEXT FIVE YEARS

“The liberty of a democracy is not safe if the people tolerate the growth of private power to a point where it becomes stronger than their democratic state itself. That, in its essence, is fascism.”

These words were written by President Roosevelt to the US Congress in April 1938. Roosevelt was thinking of the tragedy that had befallen Europe in those years, but I believe that what he said could apply to us too.

Eighty years after he issued this warning there is no mistaking the signs that democracy is retreating and that private economic interests take precedence over everything else.

The gap between rich and poor has never before been so great, and the concentration of wealth in the hands of a very few - some of whom have more money than many states - represent almost in a physical way the intolerable level of injustice that has been unleashed by liberal globalization.

Social conquests that we took for granted are being rolled back, or simply eliminated. Some workers, who never even reaped their benefits, often find themselves exploited in a way that can only be described as a form of slavery. Migrants, children, women and young people are all seen as a source of cheap labour; they have no one to defend them or to contribute to their

social welfare, and they have no access to public services. According to OECD statistics, every year 150 million people slip below the poverty line because of the costs of having to pay for private medical treatment out of their own pocket

At the same time, we have seen the power of the multinationals grow to the point that they can often impose their will on states. They can swing elections, influence governments and dictate their agendas, creating a fertile ground for institutionalized corruption.

In some of the southern countries, particularly in Africa, we are seeing a return to the most repressive forms of colonialism, where natural and human resources are pillaged.

Global warming and climate change are causing more and more natural disasters. As a result, people are being forced to flee from their homes and to seek refuge elsewhere, while others are trying to escape war, violence or the violation of their human rights.

In the absence of a global government, the rise of historic phenomena such as racism, xenophobia, terrorism and nationalism goes unchecked and is used to manipulate people's fears and uncertainties. In a word, fascism is on the rise.

This is how we ended up with Trump, Temer, Macri, Brexit and the appalling leaders of those Eastern European countries who are putting up razor-wire fences. I am sure that no one here would ever have imagined our congress taking place under the threat of an irrational nuclear war.

The fact that we are in such a situation is proof of the failure of the ruling elite. The G7, G20, and even the OECD and the World Economic Forum, are exclusive clubs that do the bidding of capital, but are ill-suited to governing in difficult times when we face momentous challenges.

Every time global capital has asked us to welcome change, to embrace modernity, to adapt, in the hope of saving its own skin, we allow it to happen and so share some of the responsibility for the ensuing disaster.

What we need is global governance within the UN system, so that all countries can come together and overcome inequalities, injustice, and imbalances in development. By pulling together we can deal with the global challenges, but we must also recognize the role of the workers and their unions.

Throughout history, exclusion has always led to disaster.

We can help change this situation by addressing the global challenges.

Today, digitalization and new technologies are casting a shadow over the future of employment in many sectors. Of course we are right to be concerned, but the labour market has always managed to adapt to technological innovation. What makes digitalization more frightening is

that it allows an alarming amount of knowledge and wealth to be concentrated in the hands of a few multinationals in certain sectors. And the whole debate on a universal basic income is premised on the idea of a society where the majority is weak, poor and marginalized and where their survival is guaranteed so that a tiny minority can live in luxury. All this is part of a fresh attempt to pull the wool over our eyes and to prepare a new and destructive campaign that will secure the triumph of liberalism. This situation cannot continue, we must stand up, we must prepare so we are ready for whatever our opponents might do.

Sustainable environmental and urban development policy must also take into account the rights of workers – in other words, what is needed is a holistic approach.

Our campaign on the financing of public services must tackle issues such as corruption and public debt. Public debt should be seen as an instrument that can introduce flexibility into the management of public finances and should be used to respond to collective needs and the public interest. We also need to consider the financialization of public infrastructure contracts so as to block the insidious attacks on pension funds that workers need so they can enjoy their retirement.

Public services are a valuable tool for integrating migrants, displaced persons and refugees into society. That is how we can contribute to defeating ignorance and prejudice and help develop a more just and peaceful society. I say this even if it comes at the cost of displeasing one or other of our affiliates.

The world is at a crossroads and unless we are prepared to lead the change, the working classes will be deprived of a future for many years to come.

There are parts of the world where our footprint is not very large. But we must use what influence we have to defend our regional and global policies by putting forward clear, radical and inclusive proposals that invite more participation, more democracy, and more justice. And, when necessary, we must just learn to say no.

This is the only way we can build a fairer and solidarity-based world that puts people before profits.

We are ready to continue down this path. With your support, we can, we will win.

I wish you all a successful congress.

Public Services International is a global trade union federation representing 20 million working women and men who deliver vital public services in 150 countries. PSI champions human rights, advocates for social justice and promotes universal access to quality public services. PSI works with the United Nations system and in partnership with labour, civil society and other organisations.