



PSI Statement on GREECE

Madame Chair,

Successive 'rescue' packages were presented as an extreme remedy to save Greece from bankruptcy. Their provisions were summarily incorporated into Greek legislation and implemented instead of using collective bargaining as a means of achieving greater efficiency and better management of the enterprises and public institutions.

The troika is pressuring the government since 12 February 2012 to cut 150,000 public sector jobs by 2015 (4,000 public sector workers by the end of the year).

These cuts will have a wide impact on living standards and the potential of employment of future and current generations. Critical issues of social cohesion and social protection have been ignored by creditors, auditors and Greek legislators alike.

Quality public services are the foundation of democratic societies and successful economies. They ensure that everyone has equal access to vital services, including health care, education, electricity, clean water and sanitation. When these services are privatized, maximising corporate profits replaces the public interest as the driving force.

The thrust to diminish public sector has already began as of June 11, 2013. In an unprecedented move the Minister in charge abused his emergency powers and shut down all public and TV stations in Greece and sacked 2700 employees. Closing down public service broadcasting, which is the only independent and public media voice is causing shockwaves across the country. Apparently, it is now possible in Greece to close down vital public services with a single ministerial decision bypassing parliamentary democratic procedures.

I wish to remind you that Convention 98 applies to public service workers, with the only possible exception of the police and armed forces, and public servants engaged in the administration of the



State (article 6). We demand that public sector workers' rights to collective bargaining will be respected and that the current crisis is not used as an excuse for dismantling social dialogue mechanisms in Greece.

One of the key demands of the Troika is that the Government undertake massive privatizations to raise funds (€50 billion) to reduce the public debt.

Among the enterprises targeted for privatization are public utilities which provide essential public services such as water and sanitation and energy. Greece would not be the first place to privatize public water utilities during a fiscal crisis. Conditioning loans based on full or partial water privatization is an increasingly common practice of international lenders – and much criticized. Privatization leads to higher prices for water, less investments in infrastructure and worse working conditions. We stress that if a society is democratic – its water is available to everyone, clean and in public hands.

We also need to point out that the public health system has become increasingly inaccessible, in particular for poor citizens and marginalized groups, due to increased fees and co-payments, closure of hospitals and health care centres and more and more people losing public health insurance cover, mainly due to prolonged unemployment. There are huge imbalances in the doctor/nurse ratio in the country as a result of public spending cuts.

This austerity programme is being implemented in the context of a social protection system characterized by protection gaps and which, in its current form, is not able to absorb the shock of unemployment, reductions of salaries and tax increases.

Instead of strengthening the social safety net and making it more comprehensive, priority appears to have been accorded to fiscal consolidation at the expense of the welfare of the Greek people. We call on the Greek Government to engage in meaningful



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collective bargaining as one of the main instruments of getting out this crisis and re-build democratic structures.