public Services International, our affiliated unions, and each member of those unions make an immense contribution to the well-being of people around the world. Working in solidarity with a growing number of allies, we campaign relentlessly for more civil, more democratic societies where every citizen is equal. These shared values make us strong, and re-energize our commitment to tackle even the most intractable issues every day.

The issues highlighted in this annual report demonstrate the scope of our work. Supporting democracy and independent unions. Fighting for equality and fair taxes. Presenting alternatives to austerity. Demanding respect for human rights and union rights. Pushing for quality public services. Support for measures to address climate change. Pressing our agenda at international agencies and institutions. Taking action against the privatiers and their captive governments. Firmly rejecting corruption and attacks on the public good.

Each page that follows could be the subject of a very long book. Each point is a reflection of the hopes, dreams and challenges that face working people, and the tireless work done by our members.

We invite you to visit www.world-psi.org for more information.

INTRODUCTION: WORKING IN THE PEOPLE’S INTEREST
Staff, affiliates and the Congress coordinating teams in Ferney-Voltaire and Johannesburg worked on Congress preparations in the lead up to PSI’s 29th World Congress, held 27-30 November in Durban, South Africa.

Statutory meetings of Constitutional bodies and related meetings were held just before Congress. PSI also organised a series of sectoral and cross-cutting seminars leading into Congress that included a migration workshop; a meeting for LO-TCO funded project staff; a young workers’ meeting; a seminar on quality public services in municipalities; a women’s caucus; health seminars on nurse-patient ratios, and on HIV/AIDS; and a utilities seminar. These meetings were well attended, given that they required earlier travel to Durban and additional accommodation costs.

Nearly 700 delegates attended Congress 2012. This was fewer than at PSI’s Centenary Congress in 2007 in Austria, but the gender balance was improved with 45% of all delegates being women, compared to 41% in 2007. However, only 39% of heads of delegation were women. There were nearly 1200 participants at Congress, including observers, guests and PSI staff.

The goal of Congress to set the vision and work of PSI for the next five years was achieved by open plenary debate of Core Resolution 1: “Programme of Action 2013-2017: Social Justice through Trade Union Rights and Quality Public Services” plus affiliates’ amendments and resolutions.

Voting on resolutions took place for the first time with the use of electronic devices, and results were posted within seconds on the screens. The Programme of Action 2013-2017 and affiliates’ related amendments and resolutions received high levels of endorsement, with votes in favour of adoption ranging from 92% to 100% in several instances. The resolution to amend the PSI Constitution was adopted by well over the two-thirds majority required.

Congress adopted a total of 47 resolutions, including six emergency resolutions in regard to Japan, Mali, the Democratic Republic of Congo, Tunisia, Uganda, and a mandate to the incoming Executive Board regarding affiliation fees. All resolutions have been distributed in the three volumes of Congress Proceedings available in all official languages: www.world-psi.org/en/psi-congress-resolutions.

Another innovation at Congress 2012 was the introduction of interactive sessions, designed to deepen the debate on major issues of the Programme of Action. Four critical issues had been designated by the Executive Board to be addressed: “Mobilising to win,” “Fighting economic inequality,” “Advancing trade union rights,” and “Equality and eliminating discrimination.” Each session was chaired by a PSI vice-president and featured a panel of international speakers who engaged in discussion with the audience.

Rosa Pavanelli was elected General Secretary of PSI with 72% of votes, defeating incumbent Peter Waldorff. This marked the first time in PSI’s 105 year history that a woman had been elected to head our global union. Rosa was the leader of Italy’s Federation of Public Employees (Federazione Lavoratori Funzione Pubblica FP-CGIL) and served as PSI Vice-President for the European Region. In her acceptance speech, Rosa stressed the need to defend public services and fight for PSI’s members’ rights, the right of all to justice, solidarity, equality, and fairer and more sustainable societies, and the important role of women in public service unions. Dave Prentis, General Secretary of UNISON, UK, was acclaimed as President of PSI.

A number of innovations were introduced in Congress communications:

- A special PSI World Congress website was produced - http://congress.world-psi.org/.
2012 was a very difficult year for the international trade union and women’s movements. Neo-liberal forces around the world gathered strength to try to eliminate hard-won social and labour rights. Austerity measures promoted privatisation, clawed back public spending, reduced the size and role of the state, and virtually eliminated social dialogue and collective bargaining in public sector workplaces.

The long struggle for equality was set back by closure or funding cuts for public institutions that promote equality for women at work and in society. More and more women — hard hit by public sector job and service cuts — were forced into insecure employment with long hours, low pay, and poor working conditions to support their families. Reduced access to health and education, as well as lower incomes, will have long-term effects on the position of women and girls in society.

At meetings of international institutions, the picture was equally bleak.

The 56th Session of the United Nations Commission on the Status of Women met in March to discuss steps to support rural women and rural development. Due to resistance from conservative forces and right-wing governments, no conclusions were agreed upon.

At the International Labour Conference in June 2012, the employers’ group disrupted the work of the Committee on the Application of Standards by claiming the experts do not have the authority to interpret conventions. In an apparent effort to destroy the ILO supervisory system, the employers’ group and some governments blocked discussion of any cases linked to the right to strike. Negotiations to try to break the deadlock continued into 2013.

**Attacks on unions**

In Algeria, the government refused to honour collective agreements. Union representatives were harassed repeatedly. SNAPAP members went on a
hunger strike in May 2012 and organised numerous demonstrations and actions, supported by PSI.

In Botswana, the government refused to bargain, suppressed the right to strike, designated wide areas of public services as essential, and initiated illegal dismissals.

PSI called on the Croatian government to stop attacking workers and trade unions. PSI supported the Croatian Trade Union of Nurses and Medical Technicians, which joined other unions in a general strike on 29 November to protest the government’s unilateral changes to collective agreements and its refusal to engage in social dialogue.

In Guatemala, members of the National Union of Health Workers of Guatemala (SNTSG) were targeted by assassins. The union has exposed mismanagement of the country’s public health facilities and filed an official complaint accusing the previous Minister of Health of corruption. On 24 March, SNTSG leader Luis Ovidio Ortiz Cajas and four union members were murdered. On the day of their burial, an attempt to kidnap the Secretary General of the Children’s Hospital of Infectious Diseases, Mauricia Garcia Ruiz, was averted. On 7 August, Ricardo Morataya Lemus, SNTSG labour advisor, was assassinated, and Melvy Lizeth Camey Rojas, Secretary General of SNTSG’s Santa Rosa Department, was shot twice.

In Ecuador, the government initiated massive forced dismissals of public sector workers and trade unionists. The government refused to bargain collectively and curtailed freedom of association.

Members of the General Trade Union for Workers in Electricity in Jordan were arrested solely because they exercised their legitimate rights. PSI appealed to the government to refrain from further aggression towards the trade union and its representatives, demanding dialogue and a peaceful solution.

Swaziland continued to refuse to recognise collective bargaining rights and freedom of association. Police fired upon a peaceful demonstration by public sector trade unionists on 12 July. At least 12 were injured and required hospitalisation.

PSI was profoundly disturbed by the Anti-Homosexuality Bill that was tabled by the Parliament of Uganda. People have the right to choose their sexual partner and should not be condemned for those choices. At the time of this writing, the law had not yet been adopted.

PSI called on the Tunisian government to protect trade union rights, demanding a full investigation of violent attacks against the Tunisian General Union of Labour and its members, as well as arson attacks on union premises.

In Turkey, PSI campaigns helped secure the release of some imprisoned trade union members but the persecution continued. Fifteen members of KESK, the public sector confederation, as well as representatives of SES, Tüm Bel Sen, BES and Egitim Sen, were jailed on vague and spurious charges. PSI continued to work with its affiliates and other global unions to secure their release and demand respect for trade union and human rights. On a more positive note, Turkish trade unions celebrated May Day 2012 in the symbolic venue of Taksim Square for the first time in 33 years – the result of constant pressure by Turkish trade unions working with global unions. ☀
PSI’s trade union development projects involved affiliates in more than 70 countries. Highlights of achievements in project cooperation in 2012 include:

• An agreement on the reintroduction of a check-off system for public sector workers in Burkina Faso.
• Significant progress towards the ratification of Convention 151 (Collective Bargaining in the Public Sector) in the Philippines.
• Successful organising drives by affiliates in Turkey which expanded recruitment and representation of precarious workers.
• Strengthening campaigns against violations of trade union rights in Botswana, Chad, Ecuador and Swaziland.
• Preventing water sector restructuring in Kenya which would have made privatisation easier.
• An evaluation of PSI’s 10 years of cooperation in the Democratic Republic of Congo revealed significant growth in union membership, enhanced social dialogue and the emergence of gender equality within union leadership.

Some key developments in project work:

• With the support of affiliates Kommunal, ST and VISION, PSI was successful in securing a project from a special disbursement of funds from the Swedish International Development Agency (Sida) focused on democratic development in the Middle East/North Africa region (MENA). The project, which runs 2012-13, targets sectoral organising, social dialogue and democratic trade union practices in Egypt, Tunisia, Jordan and Lebanon. The project also has a specific component on women’s leadership in the Arab sub-region.
• A project supported by AbvaKabo of the Netherlands in partnership with PSI affiliates in Brasil was started to sensitise trade unions to Lesbian, Gay, Bisexual, Transgender (LGBT) rights and to promote the inclusion of LGBT rights in the collective bargaining strategies of unions.
• An initiative supported by JHL and TEHY of Finland will see a new health sector organising project begin in 2013 in West Africa.
• The completion of an education booklet on Irish affiliate IMPACT’s cooperation with PSI for rank-and-file unionists.

The PSI trade union development working group (UDWG) met in Amsterdam in April 2012 and drafted a submission for inclusion in the PSI’s 2013-2017 Programme of Action, which was adopted by Congress in November.

In January 2013, a delegation of PSI affiliates which support union development projects met with PSI’s newly-elected General Secretary, Rosa Pavanelli, and discussed strategies and possibilities for future project work. There was a general consensus that trade union project work was a vitally important tool for achieving PSI’s objectives and that new efforts were required to ensure the success of projects could be maintained and strengthened.
Making health workers healthy workers

PSI campaigned to improve occupational health and safety, prevent needlestick injuries, and stop the spread of blood-borne diseases such as hepatitis and AIDS. We promoted vaccination for Hepatitis B - in line with the guidelines of the World Health Organization - and safety-engineered injecting devices to protect against all risks.

The DVD “Sharp Sense”—originally produced in English, French and Brazilian Portuguese — was translated into German and Spanish in 2012. This was distributed to affiliates globally and at Congress 2012, together with a new translation of the discussion guide.

For three years, PSI has coordinated a project to strengthen the public sector trade union response to HIV and AIDS in Southern Africa. The project engaged 34 PSI affiliates in 11 countries in good practice sharing and implementation. A summary and evaluation of this project are available at www.world-psi.org/en/public-sector-unions-combating-hiv-aids-southern-africa.

Making health services better workplaces

The shift of health care and support services (cleaning, laundry, waste, laboratories) to the private sector through privatisation or outsourcing is worsening the employment and working conditions of health service workers. Deterioration of public services and staff shortages result in overwork, tension, stress and violence.

This topic was the subject of a workshop at the Health and Social Care Services Task Force (HSCSTF) meeting held 18-19 April 2012. A second workshop focussed on Occupational Health and Safety. The HSCSTF was followed by a one-day nurses’ meeting on 20 April.

Other topics addressed at the HSCSTF included:
• Promoting the establishment of OHS workplace committees in Ghana, Liberia, Nigeria and Sierra Leone.
• Discussion of the campaign in favour of a financial transactions tax championed by nurse unions.
• The status of a user-friendly database on ILO Conventions and Recommendations on OHS to be accessed through the PSI website.
• The situation of Bahraini physicians and nurses detained and tortured after ministering to wounded anti-government demonstrators in Manama.
• Declaration of support for laid-off health care workers in Ecuador.
• Human and labour rights in Tunisia in the period after the revolution, and Tunisia’s incomplete democratic transition.
• A presentation of the International Committee of the Red Cross report “Health Care in Danger: a sixteen-country study” by its principal author Robin Coupland.
• A brief presentation of Healthwise, a joint tool of ILO and WHO to improve working conditions in health care settings, by staff from both organisations.
• PSI was a supporting organisation for the Third International Conference on Violence in the Health Sector held in October 2012, a member of the organising committee and a member of the scientific committee that shapes the programme of the Conference. PSI has a particular interest in the risks faced by public service workers who respond to emergencies and disasters. This is a new area for the Conference, which has previously focussed on violence in traditional health settings. PSI invited and sponsored a keynote speaker to present the International Committee of the Red Cross report “Health Care in Danger: a 16 country study.”

Striving for quality health services for all workers and users

PSI held two symposia in 2012 in partnership with Forum for Health, an NGO based in Geneva.

On 26 June, a Right to Work & Right to Health: Workers with Physical and Mental Disabilities conference featured speakers from ILO, WHO, UNISON, Handicap International and a Swiss NGO (GREPSY).

A second conference – After the MDGs: Social Protection by Workers and for Workers – was held on 10 December. It featured a panel from ILO, WHO, ITUC, Medicus Mundi, World Vision, and the Permanent Mission of Brazil to the United Nations (Geneva), chaired by PSI.

Two seminars with affiliates were held on health issues in advance of PSI’s World Congress, including one on “Nurse-patient ratios, patient safety and nurse workforce satisfaction, with particular reference to nurse staffing in South African hospitals.”

Kenya
Energy

Two energy meetings of note – one hosted by the National Union of Metal Workers of South Africa (NUMSA), the other by Cornell University’s Global Labour Institute – focused on the challenges posed by climate change and the need to reduce carbon emissions. Both stressed that the labour movement needs its own agenda.

NUMSA is particularly concerned that public subsidies will continue to support private profits. They advocate public, decentralised and/or cooperative renewables, especially as a means to reach the poorest who are not on the grid. The Cornell GLI has established an Energy Democracy Initiative and affiliates are encouraged to participate – see www.ilr.cornell.edu/workerinstitute/initiatives/labor-environment-and-sustainable-development.html.

Direct support to PSI affiliates included missions to strengthen the Nigerian Union of Electricity Employees’ opposition to misguided energy privatisation, prescribed by the World Bank and fuelled by the corruption of senior government officials. The PSI Research Unit contributed a number of reports. NUEE continued its valiant fight despite the government unleashing the military to occupy workplaces.

After years of battle, the Pakistani energy union WAPDA appears to have driven off the privateers. PSI was able to support the union with a range of tools, including PSIRU reports, action at the ILO, and pressure on government.

In the Maghreb, PSI helped unions grapple with Desertec, a proposal to build massive solar capitors and transmit electricity to the EU. PSIRU published three reports to map the actors and the issues. The Desertec project appears momentarily stalled, but will likely require attention in the coming cycle. PSI helped connect our Tunisian affiliate UGTT Electricité et Gaz to knowledgeable NGO allies on the issue of hydraulic fracturing. With PSI support, UGTT developed a national campaign calling for a moratorium on fracking pending adequate research into its environmental impacts.

The PSIRU researcher based in South Africa contributed regular reports for PSI affiliates across our sectors, including a focus on corruption.

Water

PSI worked with affiliates and allies to resist privatisation, promote remunicipalisation, and advocate for public-public partnerships (PUPs).

We supported affiliates and civil society groups in Jakarta, Indonesia as they continued to campaign against private contracts for the city. The election of a new city governor may open the door to resolving the problems. Our affiliates continued to mobilise to defend their rights and interests, working in cooperation with civic groups.

In Kenya, PSI worked on a project to promote public-public partnerships to block privateers and strengthen public services. Under a new constitution, much authority for service delivery is to be devolved to 47 counties. This will complicate organising efforts. We expect to see more attempts at creating yellow unions to undermine our affiliates.

In Latin America, continental coalitions such as Contagús, Red Vida and La Plataforma have significant trade union involvement. Members have advanced the PUPs concept, both between countries and within the same country.

Alternative World Water Forum

The commercial triennial World Water Forum, held in Marseille in March, appeared to have run out of steam. Despite €30 million in support from the French government, the hallways were nearly empty, the sessions dull repeats of tired lines.

More dynamic by far was the Alternative Water Forum (aka FAME), organised by French NGOs, PSI and other members of the global water justice network. With a shoestring budget, FAME met in a converted warehouse just off the old port of Marseille and brought together a wide range of participants for three days of
meetings and mobilisation. PSI unions were very active. EPSU organised a meeting of the European Citizens’ Initiative Committee which swelled the union ranks and brought new dynamism. FAME supported our key areas: anti-privatisation, better public management, worker and citizen involvement in decision making, and public–public partnerships.

**Earth Summit – Rio+20**

There is almost universal agreement that the two years of negotiations culminating in the Rio+20 text failed to deliver a political vision and action programme for dealing with the major issues of sustainability.

Our strongest focus was in water, where we preserved the right to water language in the official text. In the formal UN process, PSI participated in a high-level panel on water – the only labour voice heard on anything other than direct labour concerns.

At the parallel People’s Summit, we strengthened our links with allies. Water and energy were well represented. The Brazilian union FNU brought many members and activists and coordinated workshops in the Water Tent.

In the ITUC-TUCA Workers’ Assembly, PSI representatives advocated against privatisation, and in favour of a Social Protection Floor and quality public services, as well as the need for fair taxes to fund public services.

**Public administration**

PSI supported projects and activities of affiliates in the Latin American Southern Cone who established a functioning network of central administration unions. The network takes joint action in support of unions in dispute in the region.

Through collective bargaining, affiliates were able to significantly improve the salaries of central administration workers and to reduce the incidence of precarious employment contracts. Central administration affiliates in Chile marked significant progress in their struggle for recognition by signing a draft agreement with the government to create forums on good labour practices, decent work, freedom of association, collective bargaining and equal opportunities. Affiliates organised campaigns for quality public services including denouncing cases of corruption.

Civil service unions in Kenya and Tanzania worked in cooperation to influence public sector reforms in their countries. Our affiliates in Tanzania, for instance, achieved improvements in public services to reach citizens in the wards, and regulation of public services on the basis of skilled human resources.

The PSI secretariat commissioned a PSIRU study on corruption in public services worldwide. The research corrects the widespread belief that corruption is mainly a problem of developing countries. It sheds light on daily corrupt practices in Western democracies and demonstrates that powerful multinational companies bribe politicians elsewhere to get access to national resources, to privatise public services and to achieve impunity when caught in illegal activities. The research outlined various anti-corruption measures, such as whistleblowing, and information on initiatives to tackle corruption and the role of intergovernmental organisations. Based on these findings, the secretariat will help affiliates to develop campaign materials to combat corruption in public administration.

A pre-Congress event was a successful starting point for launching a global campaign against corruption. The secretariat agreed to closely cooperate in such a campaign with the Latin American Union of Workers in Public Organs of Control, our partner in organising the pre-congress event.
Multinational enterprises

The PSI Executive Board adopted guidelines on negotiations with multinational enterprises defining procedures, contents and implementation of international agreements.

PSI and its sister global unions met with the management of the French multinational corporation GDF SUEZ to discuss its social reporting policies, the implementation of the Global Agreement and information to be provided by the company on its subsidiaries and supply chains.

Armed with the Global Agreement on Common Principles concluded with GDF SUEZ, PSI worked with our affiliate UWUA during its dispute over collective bargaining rights with United Water, the American GDF SUEZ subsidiary. The UWUA informed us that, due to PSI’s persistent interventions, it was able to successfully conclude collective bargaining with United Water in a number of American cities.

Due to a conflict over an agreement on distribution of shares, a planned global meeting of trade union representatives with the company’s CEO on the group’s activities and policies was not held in 2012. We are currently making efforts to organise this conference on an annual basis starting in 2013.

PSI commenced negotiations with the Italian multinational energy company ENEL, the mother corporation of the Spanish-Latin American company ENDESA, on the conclusion of a Global Framework Agreement covering its operations in more than 40 countries. The negotiations are ongoing and held in consultation with the European Works Council and PSI’s sister organisation IndustriAll.

Contacts were made with other trade union stakeholders on renegotiating the existing Global Framework Agreement with the French energy corporation EDF.

MUNICIPAL SERVICES

Outsourcing – privatisation

Privatisation with outsourcing was the main trend among local governments and municipalities in 2012. The financial crisis put central and local governments under pressure. Misguided austerity measures, especially in Europe, resulted in the degradation of public services and the loss of hundreds of thousands of jobs.

Privatisation, public-private partnerships, and a new equity ownership model introduced by the UK government for shared services all give private corporations huge opportunities to profit from public services.

Another continuing trend was the downloading of responsibilities from central to local governments without transferring sufficient funds to maintain the services. The resulting deterioration in services is a key factor that opens the door for privatisation. In response, PSI affiliates, citizen movements and other groups are playing an important role in promoting remunicipalisation and local ownership.

Building networks

Municipal trade unions in most countries depend on each other’s experience and support to successfully resist the attacks on welfare systems and working conditions. In 2012, effort was put into building regional networks. Weeks before the PSI Congress, the African Municipal and Local Government Unions’ Network (AMALGUN) was launched to enable stronger unions to assist others in the region. The municipal network in Latin America remained active thanks to support from our Austrian municipal union. The municipal pre-Congress meeting also resulted in the creation of a new global municipal network with more than 100 participants.

Quality public services

In the municipal sector, the Quality Public Services – Action Now! campaign focused on our local pilot project in Durban. This project aimed to build strong support for public services through joint efforts by the workers, civil society and the municipality itself. The project succeeded in creating a tripartite partnership for social dialogue. However, changes will not happen quickly. Poverty, lack of public funding and scepticism towards new ways of working together are difficult to overcome. The project helped the participants to take the first steps towards a better future for their city.

Norway

10
2012 marked the completion of the fourth phase of the PSI Migration and Women Health and Social Care Workers’ Project. The project’s objective was to strengthen the capacity of public service trade unions to address the causes, impacts and challenges of migration as part of their daily trade union work.

The results have been impressive. PSI unions representing health and social care workers in the countries that participated are able to engage their governments in social dialogue on migration and human resources for health. They are reaching out and organising migrant workers. They have increased their ability to influence national and international migration, trade and labour policies. They are winning rights for health and social care workers.

Through participatory research, the project documented and analysed the impact of migration on health and social care services. Around 100 union members representing 18 affiliates in Ghana, Kenya, South Africa as well as Australia and the Philippines were trained. These peer researchers conducted 1,941 interviews and 17 focus group discussions with health and social care workers, migrant workers, government agencies and professional groups. By using the research as an outreach tool, the unions also recruited hundreds of new members.

The research documented the main factors that push workers to migrate, such as low salaries, poor working conditions, low staffing levels, lack of job satisfaction, pressures at work, lack of opportunities for training and poorly funded health care systems. It confirmed the correlation between an increase in pay and benefits and a decrease in the intention of workers to migrate.

In the case of a migrant-receiving country like Australia, the research showed that migrant workers recruited under temporary working visas are vulnerable to exploitation, i.e. working long hours with less pay, and are constantly faced with the fear of being fired and deported if they join the union and/or demand their rights.

The research affirmed the important work of the unions in defending workers’ rights and negotiating better pay and conditions, thereby effectively reducing out-migration and brain drain. It also made recommendations for action by governments and trade unions. The national research reports can be downloaded at www.world-psi.org/en/issue/migration.

The unions used the findings and recommendations to initiate social dialogue on migration and human resources for health. They used their evidence base to bargain for pay increases and improved conditions for the workers. They established the “Migrant Desks”, which are focal points established in union offices and workplaces to provide information, counselling, organising, support services and networking for migrants and their families. This pioneering initiative was welcomed by government agencies and civil society groups dealing with migrants.

Extending the experience of the PSI migration project to Europe, the PSI secretariat worked with Mediterranean affiliates to prepare and submit a project grant application (concept note stage) to the ENPI-MED, a European Union funding facility. The project aims to build public service trade union solidarity and cooperation on migrants’ rights in the Mediterranean. The concept note was selected and PSI and the Mediterranean affiliates in Italy, Spain, Malta, Jordan, Palestine and Lebanon were invited to submit a full application for a two-year project. The result of the application will be known in mid-2013. Finally, in November 2012, project partners and affiliates met to discuss PSI’s migration activities at a pre-Congress Migration Seminar and Workshop in Durban, South Africa. Participants took stock of the achievements in the past five years, including the project. They analysed continuing and emerging trends in international migration as supported by the evidence base generated from the project’s mapping and participatory research. Based on these discussions, they developed a new Migration Programme of Action for 2013-2017 which was adopted by the 29th PSI World Congress.
International institutions — including the International Monetary Fund, the World Bank, the Organisation for Economic Cooperation and Development, the World Trade Organisation and others — influence global policy and programmes that affect PSI members in wide and diverse ways.

They continue to impose great hardship on our members by promoting neo-liberal policies away from the scrutiny of elected governments. We must strengthen our capacity to engage these institutions and ensure they are held to account for their actions.

PSI attended the spring consultations of the World Bank and IMF in March to promote quality public services in the newly emerging international work on the social protection floor and to oppose austerity measures.

We also lobbied the IMF to continue its work on the technical aspects of the financial transactions tax. The IMF has made a number of positive statements about the need to further tax and regulate the financial sector.

These meetings were also used to formulate joint ITUC and Council of Global Union positions to take to the various G20 forums. PSI has ensured that these statements include the need to provide quality public services. We joined with the ITUC to demand that labour standards be included in World Bank funding agreements for public sector loans and to criticise the use of labour flexibility indicators in the bank’s “Doing Business” report.

PSI attended various meetings of committees related to public governance at the OECD to promote the interests of PSI members and monitor OECD policies that affect our affiliates. We provided comment on the OECD’s “Public Private Partnership Guidelines” and the “National Best Practices in Competitive Neutrality” document to ensure that the OECD acknowledged the qualifications, risks and damage caused by such policies.

Many of the International Financial Institutions have belatedly acknowledged that their policies have contributed to the global financial crisis. The IMF has undertaken technical work to show that taxation of the financial sector is feasible and that it has previously underestimated the negative effects of austerity measures on economic growth.

The OECD launched “New Approaches to Economic Challenges” which reviews its policies and their contributions to the crisis. PSI has worked with TUAC to ensure the role of public services and labour rights are fully appreciated in this work.

PSI’s work on trade was also strengthened. PSI, in conjunction with the Third World Network, negotiated access to trade seminars by professor Jane Kelsey for affiliates interested in learning more about the current breed of trade and investment agreements. The new agreements, including the Trans Pacific Partnership, are part of a new series of multilateral agreements that will be negotiated in 2013 and beyond. They could have potentially devastating effects on governments’ ability to provide quality public services.

In 2012, we built the foundation for further work to hold international financial institutions to account. In particular, PSI worked with TUAC to map the work of the public governance functions of the OECD, was actively involved in the FTT global organising group, and participated in the Financial Services Strategy Group to monitor trade agreements in services.

PSI also monitored the broader tax agendas of the international financial institutions as we anticipate a greater focus on taxes, including financing options for the Social Protection Floor, as well as work on trade agreements in 2013.
During 2012, the Council of Global Unions and PSI each committed 30,000 euros to fund joint activities, including the www.QPSActionNow.org website, drafting a toolkit for use by affiliates undertaking municipal QPS campaigns, and hiring a part-time coordinator, Morna Ballantyne. For six months, the coordinator worked with Public Services International to advance the campaign on a number of key world stages, including the Rio+20 conference in Brazil, the World Urban Forum in Naples, and the World AIDS 2012 conference in Washington, DC. She also worked to increase social media outreach, expand news coverage on the QPS website, and produce the QPS newsletter.

Additionally, the campaign expanded collaboration with allied organisations to push for new financial transactions taxes. Organisational support was provided to promote the FTT through association with the QPS campaign with resulting high profile visibility (at Rio+20 and the AIDS 2012 conference, for example). The QPS campaign and PSI have advocated for revenue from financial transactions taxes to be used to support sustainable development through properly funded quality public services. A Rio+20 video was produced by PSI for the QPS campaign, and the colourful "Robin Hoods for an FTT" photo gallery continues to grow online.

PSI worked with affiliate National Nurses United and allies, including the ITUC, to organise a one day global international FTT campaign strategy meeting which brought together 50 union and NGO partners in mid-January 2012 in London, UK. Participants in this strategy meeting identified a series of key actions and resources to advance the FTT campaign in 2012. An important agreement was to focus our common messages, including the need for an FTT to fund quality public services.

Through the efforts of related working groups that have met regularly via international teleconferences, and continued coordination with the international FTT network, by year-end our coalition groups had produced all of the major initiatives first proposed in January:
- FTT myth-busting document in multiple languages
- Global week of action for the FTT
- G8 actions in Chicago
- Rio+20 People’s Summit workshop, “A Robin Hood Tax for a Sustainable World” public rally, and UN Leading Group presentation in Rio, Brazil
- Launch of the Robin Hood Tax USA campaign, led by PSI affiliate NNU
- World Aids Forum march for the FTT, Washington, D.C.
- “1000 Robin Hoods for the Common Good” rally at PSI World Congress, Durban, South Africa
- Focused lobbying of key EU states to bring in an FTT (11 countries now on board to make this a reality).

In the US, PSI also took the QPS campaign front and centre to Wisconsin in early March 2012, making a major QPS campaign presentation to a special meeting of 700 trade unionists in Milwaukee, and giving further profile to the campaign during various fightback events including a rally of 65,000 people in Madison. See: http://wisaflcio.typepad.com/wisconsin-state-afl-cio-blog/2012/03/videos-reclaim-wi.html

PSI also contributed subtitling in French and Spanish the new documentary ”We Are Wisconsin” and organised a film tour across Canada involving affiliates and the public in related discussions.

These efforts have increased the reach of the QPS campaign, strengthened global coalition relationships, and raised awareness among global unions and allied organisations of the importance of public services.
The Southern Africa sub-region was excited to host the PSI World Congress in Durban, South Africa in November, 2012. We congratulate all participants for a successful congress.

PSI work in the region covered many priorities: building union networks and capacity, supporting democratic movements, strengthening the involvement of women and young people, promoting quality public services, and defending union rights.

Signs of progress

The African Municipal and Local Government Unions’ Network (AMALGUN) was launched in Abuja, Nigeria, drawing a large number of special guests that included the Speaker of the Federal House of Representatives, the Governor of Delta State and the President of the Nigeria Labour Congress. Member countries include South Africa, Ghana, Tanzania, Kenya, Sierra Leone and Ghana.

The West Africa Health Sector Unions’ Network in the sub-region, which has now expanded to include Kenya, Tanzania and Rwanda, has won sponsorship of its activities by SASK, Finland. This partnership will assist in improving collaboration with the Sub Regional West Africa Health Organisation (WAHO) and outreach programmes to Francophone and Lusophone countries.

Members of the proposed networks of PSI public employee and electricity worker unions met in advance of the PSI Congress in South Africa. Civil servant unions from Ghana, Kenya, Sierra Leone, Tanzania and Nigeria agreed to meet on 25-26 February 2013 in Abuja. Electricity worker unions from South Africa, Uganda, Kenya, Tanzania, Sierra Leone, Ghana, and Nigeria agreed to meet in Lagos on 27-28 February 2013. In Tanzania, Uganda and Zanzibar, national negotiating councils have been established to negotiate salaries and conditions of employment.

In Burkina Faso, PSI and our allies succeeded in achieving a presidential decree, signed in March, which restored the right to check-off union dues.

International cooperation continued to play a major role in advancing public services and the rights of workers and unions in 2012. For example, a LO-TCO project in East Africa focused on social dialogue has helped to influence many policies that affect public sector workers. In four countries, PSI affiliates have become involved as major stakeholders on national boards, parastatals and committees.

The Association of Public Sector Unions has been successfully registered in Tanzania, Uganda and Zanzibar, a step towards gaining observer status at meetings of the East Africa Community. The registration process continued in Kenya. Following a PSI mission to Rwanda and Burundi, the registration process has begun in those countries.

A new national centre – Public Sector Trade Unions (PUSETU) – has been registered in Kenya. The centre includes the Union of Kenya Civil Servants, a PSI affiliate. The General Secretary of UKCS, Tom Odege, is the National Chairperson of the new centre.

Trade union rights

PSI reacted quickly to serious violations of trade union rights, giving support to trade unions, and registering protests with political authorities. Among the issues dealt with:

- A six week strike by public sector workers that was met with mass firings and sweeping essential service designations in Botswana.
- Anti-union legislation, and threatened cuts in salaries and benefits in Swaziland, where the situation is volatile and democracy remains elusive.
- Attacks, arrests and threats against SNAPAP in Algeria, including an attempt to kill the president by tampering with the brakes of his car.
- Defamation, harassment and arrests of leaders and members of independent unions in Egypt.
- Continuing attacks, including arson, against UGTT in Tunisia.
- Jail terms and fines against union activists in Chad, culminating in the December 9 death of Gustave N’Beta, an active member of PSI.

Arab Spring

In support of the Arab Spring movements, PSI developed a strategy of active involvement in the process of democratisation. A project financed by LO-TCO provided additional assistance to affiliates in their contribution to the development of democracy and social justice in Egypt, Tunisia, Jordan, and Lebanon.
PSI’s 2012 Quality Public Services Award was given to the All-Japan Prefectural and Municipal Workers Union. It recognises the union’s remarkable leadership, courage and commitment in coming to the aid of citizens following the Great East Japan earthquake and the subsequent tsunami and nuclear disaster in March, 2011. The union has continued its campaign to improve working conditions, reduce turnover, and reduce a serious nursing shortage. Three million people have signed a petition in support of the campaign.

Quality public services

PSI supported numerous campaigns to defend and promote quality public services. Other work included strengthening regional networks, pressuring the Asian Development Bank to respect workers’ rights, and mainstreaming issues affecting women and young workers.

- The Korean Health and Medical Workers’ Union continued its long struggle to demand improvements in health care.
- The Public Service Association of New Zealand battled the loss of more than 5,000 jobs.
- Threatened with short-sighted plans to slash budgets and services, the Community and Public Sector Union of Australia promoted the need for a strong, well-resourced public sector.
- The New South Wales Nurses’ and Midwives’ Association campaigned against draconian cuts to workers’ compensation, as well as attacks on NSW public sector employees’ rights at work.
- The President of Cambodia’s Independent Civil Servant Association, Phuong Sovan, went on a hunger strike to demand improvements, better conditions and full freedom of association for civil servants.
- The Karnataka State Government Employees Association in India campaigned for fair taxes, investment in public services, and an end to years of cuts.
- The Asia Pacific Youth Network joined with brothers and sisters across the globe in taking action to stand up for quality public services on World Public Services Day, 23 June.
- Campaigns against the privatisation of electrical services were successful in Pakistan and Australia, but continue in Indonesia.

Trade union rights and decent work

There were some notable gains, and continuing struggles, in the battle to win full bargaining rights for public employees.

- The PSI regional office and the PSI-Korean Council intensified the campaign for ratification of ILO Core Conventions. The government has banned all Korean Government Employees Union activities and branded them illegal. KGEU and PSI continued to apply pressure nationally and internationally.
- PSI and the Karnataka State Government Employees Association campaigned for improved trade union rights for government employees and called on India to ratify ILO Conventions 87 and 98. More than 10 million workers participated in an historic one day general strike to demand improved rights for workers and unions in India.
- Members of the Jakarta Water Union demonstrated to demand better wages and working conditions. The private operators finally agreed in October to increase the basic salary of seconded employees.
- In response to a complaint filed by PSI, the ILO in November 2012 requested that the Indonesian government guarantee union and workers’ rights. In December, a long-standing rights violation was settled. The industrial court ruled a strike that took place in May 2008 was legal, and ordered that the grievor, Arif Islam, be reinstated with full back pay and benefits.
- The government of Solomon Islands ratified six fundamental ILO Conventions, including those on freedom of association, collective bargaining, discrimination and child labour.
- In mid-December, the government of the Cook Islands enacted a new Employment Relations Act, milestone legislation that includes stronger clauses on freedom of association, collective bargaining and discrimination.
- The Fiji regime banned public employees and trade union officials from belonging to a political party or being candidates in the promised election. The regime ordered an ILO delegation to leave the country in September.
- PSI participated in a mission to provide support and solidarity with the Federation of Trade Unions of Burma as it works to re-organise trade unions.
- PSI, affiliates and other global union federations convened a national forum in Thailand to demand the government ratify ILO conventions on freedom of association and collective bargaining.
Critical events facing public sector workers in the Inter-Americas during 2012 included the continuing effects of the economic crisis, a coup in Paraguay, and increasing attacks on unions in several nations.

### Organising

A key priority established by the Inter-American Regional Executive Committee (IAMREC) was to support organising at the sectoral level through programmes to strengthen affiliates' bargaining, organising and campaign skills.

Work in 2012 was concentrated on the health, municipal and legislative sectors. A health sector meeting was held 9-11 June in Rio de Janeiro, bringing together representatives from Dominican Republic, Mexico, Honduras, Costa Rica, Colombia, Ecuador, Chile, Paraguay, Uruguay, Argentina and Brazil. The municipal sector met 25-27 September in Buenos Aires. This meeting was attended by representatives from Argentina, Brazil, Chile, Colombia, Ecuador, El Salvador, Honduras, Mexico, Nicaragua, Paraguay, Venezuela and Austria. A planned legislative sector meeting was not held due to scheduling conflicts among affiliates.

A parallel priority for 2012 was to consolidate National Coordination Committees (NCCs) in the United States and Central America. This was achieved in the U.S., Honduras, Guatemala, Dominica Republic, and Nicaragua, and is in progress in El Salvador. Mexico is facing the greatest difficulty in establishing an NCC.

### Human and labour rights

Union communicators from Canada, Europe and national affiliates in America answered an urgent call to join the Public Services International Communicators’ Action Network (PSI CAN), as part of an expert communications response team in Wisconsin, USA, in early March. The team produced videos, photo essays, news items, and generated international media coverage of the Wisconsin unions’ fightback against elimination of collective bargaining rights. A solidarity delegation of PSI representatives from NUPGE and PSAC (Canada) and NSWNA (Australia) also attended under the banner of PSI’s Quality Public Services-Action Now! campaign.

PSI affiliates and allies stepped up campaigns to convince governments to respect labour rights, sadly lacking in the region, and to endorse ILO conventions on the rights of workers and unions. Twenty-two activists from nine countries in Latin America were trained to carry this work forward.

Violence against trade unionists was on the rise in many countries. Colombia remained the worst, with Guatemala achieving the dubious distinction of becoming second worst. Our colleague Luis Ovidio Ortiz Cajas of the National Union of Health Workers of Guatemala (SNTSG) was murdered in March, 2012. There was an attempted assassination of Melvy Lizeth Camey Rojas, also a leader of SNTSG. Dozens of opposition activists, including trade unionists, have been murdered in Honduras. In Ecuador, PSI provided support to three trade union leaders who have been persecuted as the government imposed mass layoffs and constantly violated the rights of public sector unions. We repudiated the legislative coup that took place in Paraguay on 22 June, and worked with the international union movement to respond to the suspension of democracy in that country.

On a more positive note, there was progress in the dialogue with the government of Colombia, and new legislation may regularise public sector bargaining. The PSI and ILO organised a bipartite meeting between the governments and unions of the Andean countries. Held in Bogota in August, the meeting won the broad support of the Colombian government.
During 2012, the effects of the financial crisis and extreme austerity measures continued to reverberate across Europe. Inequality increased. In several European countries, there was unacceptable growth in youth unemployment, poverty, social exclusion, homelessness, suicides and prostitution.

PSI affiliates in the region, members of the European Federation of Public Service Unions (EPSU), responded with strong campaigns for social justice and a fairer distribution of wealth. EPSU is a key participant in the campaign for a financial transactions tax, which has achieved considerable success on the continent. Eleven members of the European Union are moving ahead with plans to tax financial transactions, finally asking the big banks to pay their share.

Millions of people poured into the streets across Europe on 14 November in the largest-ever coordinated protest against austerity. The demonstrations were particularly large in Southern Europe where unemployment is soaring. Figures from the European Commission showed the European economy shrinking in 2012, proving that austerity measures are undermining economic recovery.

Public sector workers joined the protests and strike actions in record numbers, calling attention to the devastating impact of austerity on access to public services, and on the rights and working conditions of service providers.

It is clear that austerity does not work. EPSU continued to campaign for a different approach to counter economic stagnation and recession, including investments in quality jobs and quality public services to support sustainable growth.

Other highlights

- EPSU launched the first ever European Citizens’ Initiative to ensure that access to water and sanitation are recognised by the European Commission as a human right. With over 1.3 million signatures, the initiative is an affirmation that “Our water is not for sale.”
- A public debate continued about proposed changes in public procurement practices, seen as part of a drive to shift public services to the private sector. EPSU pointed to the growing body of research on privatisation failures, and the trends towards remunicipalisation. The region was also involved in a joint ILO-European Commission Conference on the impact of public service restructuring.
- A summer school was organised in Tbilisi, Georgia, to discuss trade union and collective bargaining rights in Eastern Europe.
- In September, EPSU was made aware of a leaked document which demanded the Greek government dismantle the labour inspectorate, increase “flexibility” in working time, and bring in a six-day work week. Earlier “reforms” destroyed collective bargaining and substantially lowered minimum wages.
- In Spain, the government cut unemployment benefits, public pensions, civil servants’ Christmas bonuses, and social benefits providing support for the care of dependent relatives. State-owned companies will be privatised. Unemployment was forecast to climb to six million at the end of 2012.
- Unions in Italy went on strike in September with the slogan “we have already paid.” The unions demanded that the government stop attacking the most fragile layers of society.
- The Croatian health workers’ union took action in November to fight for respect of trade union rights, collective bargaining and social dialogue. The Croatian government unilaterally changed the collective agreement and refused to engage in proper social dialogue. It proposed a budget with large cuts leading to job losses and cuts in public services.

For more information on EPSU and more details of its work during 2012, please visit www.epsu.org.

Rally in solidarity with Turkish members, Belgium
# PSI FINANCIAL STATEMENT 2012

## Combined Profit and Loss Statement For the Twelve Months Ending 31 December 2012

<table>
<thead>
<tr>
<th>INCOME</th>
<th>BALANCE 2012</th>
<th>BUDGET 2012</th>
<th>BALANCE 2011</th>
<th>OVER/UNDER BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliation fees</td>
<td>7,602,029</td>
<td>7,631,000</td>
<td>7,653,805</td>
<td>-0.38%</td>
</tr>
<tr>
<td>Extraordinary source of income</td>
<td>265,428</td>
<td>230,000</td>
<td>0</td>
<td>15.40%</td>
</tr>
<tr>
<td>Interest and investment income</td>
<td>159,612</td>
<td>70,000</td>
<td>70,564</td>
<td>128.02%</td>
</tr>
<tr>
<td>Reimbursements</td>
<td>57,042</td>
<td>30,000</td>
<td>105,158</td>
<td>90.14%</td>
</tr>
<tr>
<td>Extraordinary income</td>
<td>186,887</td>
<td>123,000</td>
<td>223,978</td>
<td>51.94%</td>
</tr>
<tr>
<td>Foreign currencies exchange benefit</td>
<td>0</td>
<td>0</td>
<td>72,473</td>
<td></td>
</tr>
<tr>
<td>Contributions to Funds</td>
<td>159,578</td>
<td>231,000</td>
<td>217,153</td>
<td>-30.92%</td>
</tr>
<tr>
<td>Sponsored contribution to adm. of projects</td>
<td>460,009</td>
<td>449,000</td>
<td>512,723</td>
<td>2.45%</td>
</tr>
<tr>
<td>Sponsored Income</td>
<td>1,435,011</td>
<td>1,627,000</td>
<td>1,691,415</td>
<td>-11.80%</td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td><strong>10,325,596</strong></td>
<td><strong>10,391,000</strong></td>
<td><strong>10,547,268</strong></td>
<td><strong>-0.63%</strong></td>
</tr>
</tbody>
</table>

| EXPENDITURE | |
|-------------| |
| Strategic activities | 935,368 | 869,000 | 867,885 | 7.64% |
| Constitutional meetings Global | 2,186,979 | 2,051,000 | 385,747 | 6.63% |
| Constitutional meetings Regional | 159,002 | 133,500 | 341,939 | 19.10% |
| Constitutional meetings Sub regional | 311,987 | 325,000 | 275,758 | 38.66% |
| External meetings | 1,500 | 4,000 | 10,703 | -62.50% |
| Internal meetings | 5,941 | 3,000 | 48,877 | 98.03% |
| HO representation | 70,957 | 47,000 | 36,567 | 50.97% |
| (Sub) regional representation | 156,371 | 160,790 | 385,747 | -2.75% |
| EPSU PSI agreement | 903,044 | 903,000 | 883,189 | 0.00% |
| Communications | 172,751 | 150,000 | 212,715 | 15.17% |
| Kluncker Wurf Award | 0 | 15,000 | 15,000 | -100.00% |
| Contributions (ITUC, CGU etc.) | 40,639 | 47,000 | 40,609 | -13.53% |
| Head office staff | 3,280,425 | 3,210,000 | 3,165,186 | 2.19% |
| (Sub) regional staff | 1,411,934 | 1,426,156 | 1,331,238 | -1.00% |
| Head office, office costs | 411,585 | 379,450 | 301,493 | 8.47% |
| (Sub) Regions, office costs | 415,891 | 425,373 | 402,702 | -2.23% |
| Staff/office costs allocated to projects | -460,009 | -449,000 | -512,723 | 2.45% |
| Audit | 120,007 | 99,931 | 129,871 | 20.09% |
| Donation funds (expenditure) | 118,549 | 231,000 | 169,894 | -48.68% |
| Extraordinary expenditure | 43,692 | 0 | 32,496 | |
| Foreign currencies exchange loss | 64,735 | 0 | 0 | |
| **PSI EXPENDITURE** | **10,351,348** | **9,931,200** | **8,297,123** | **4.23%** |
| Sponsored projects | 1,895,020 | 2,076,000 | 2,206,843 | -8.72% |
| Depreciations | 47,406 | 50,000 | 46,571 | -8.83% |
| Provisions | 59,000 | 90,000 | 218,500 | -34.44% |
| Draw downs from reserves | -1,543,699 | -1,568,200 | -311,475 | -1.37% |
| Allocation to PSI AID, AF and AP funds | 80,008 | 0 | 126,128 | |
| Draw down to PSI AID, AF and AP funds | -41,351 | 0 | -78,869 | |
| **TOTAL EXPENDITURE** | **10,847,332** | **10,584,000** | **10,504,821** | **2.49%** |
| **SURPLUS/DEFICIT** | **-522,136** | **-193,000** | **42,447** | **170.54%** |
**HEAD OFFICE**

**Daniel Bertossa**, PSI Senior Policy & Advocacy Officer, joined PSI with a permanent contract as of 01/01/2012.

**Diane Quelo-Nold**, Executive Assistant, joined PSI with two fixed-term contracts as of 01/02/2012 to 30/11/2012 and 01/12/2012 to 28/02/2013.

**Gilles Landry**, Accountant, joined PSI with two fixed-term contracts as of 18/06/2012 to 30/09/2012 and 01/10/2012 to 30/04/2013.

**Cédric Depollier**, Accountant Assistant, joined PSI with fixed-term contract as of 01/10/2012 to 30/04/2013.

**Sandra Vermuyten**, Equality & Rights Officer, joined PSI with a permanent contract as of 05/11/2012.

**Sophie Reynaud**, Human Resources Assistant, fixed-term contract ended 31/01/2012.

**Chidi King**, Equality and Rights Officer, resigned 19/05/2012.

**Secondments**

**Rolv Hanssen**, QPS Municipal Project Coordinator, extension from 01/07/2012 to 30/06/2013.

**Fredrik Stellander**, QPS Campaign, 16/01/2012 to 31/03/2012.

**Sidsel Hjelme**, Communications Associate, 23/04/2012 to 31/12/2012.

**Consultant contracts**

**Genevieve Gencianos** of Migrants Rights International (MRI), Geneva, Switzerland, Project Coordinator of the International Migration and Women Health Workers Project, contract renewal from 01/01/2012 to 31/12/2012.

**Morna Ballantyne**, Coordinator for PSI and Council of Global Unions QPS campaign (part-time, jointly-funded contract) 02/05/12 to 31/12/12, based in Ottawa, Canada.

**Internships**

**Linn Holmström** from Linnaeus University, Växjö, Sweden, intern 16/01/2012 to 29/06/2012 worked on health projects.

**Jillian Jean Neckar** from International University, Geneva, Switzerland, intern 16/01/2012 to 15/06/2012 worked on health projects.

**Ravi Tripathi** from Global Labour University, Kassel, Germany, intern 13/02/2012 to 23/03/2012 worked on utilities.

**AFRICA AND ARAB COUNTRIES**

**Subregional Office South Africa**

**Tichaona Fambisa**, Project Coordinator for Southern Africa based in Johannesburg, South Africa, fixed-term contract 01/04/2013 to 31/03/2015.


**ASIA PACIFIC**

**Regional Office Singapore**

**Padmini Muthucumaru**, Finance Coordinator, retired as of 17/06/2012.

**Angie Loh**, Temporary Finance Coordinator as of 01/06/2012 to 31/05/2013.

**INTERAMERICA**

**Project Office Ecuador**

**Verónica Montúfar**, Project Coordinator, on fixed-term contract 01/03/2012 to 28/02/2015.
PSI’s 29th World Congress, Durban, South Africa, November 2012