EPSU’s North East European Constituency discussed public debt, equality, youth work and more



(Brussels, 30 August 2019) Public debt crises happen more often than we think and including in developed countries. It means that a government can no longer service its debt payments. Creditors move in demanding policies that safe money in the state budget so they can get their money. We call these policies austerity or structural adjustment programs. When they happen the impact on public services, workers, the economy and society are disastrous. Countries are thrown back in economic growth as public investments are slashed, while poverty and inequality increase, collective bargaining rights are attacked, pensions and the labour market reformed. A recent example is Greece.

Addressing public debt, its causes, effects and understanding how it builds up, which interests are behind and what we can do, are therefore important issues for the unions to know, said Danny Bertossa of the PSI.

PSI is developing resources to assist unions and testing these in a series of seminars

across the world. With the seminars and the resource materials unions will be given a set of indicators to monitor debt and understand the way debt is constructed by their governments. It is now abundantly clear how many rightwing governments are lowering taxes especially for corporations but maintain social programs hiding the truth that this leads to more public debt. When the public debt becomes too high, these parties then use it as an excuse to drastically reduce government expenditure. Unions working with civil society organisations can address the debt, the causes, and ensure it is paid back in a transparent and fair manner while jointly seeking changes to the global financial and economic system. Jurgen Kaiser of German NGO Erlassjahr focused on issues of public debt, explained the possibilities for a debt work-out mechanism as also promoted by UNCTAD. This is a road to prevent countries descent in a negative spiral and are offered a perspective of growth and welfare. It can assists unions in proposing alternatives to the austerity plans. These are put in place solely focused on the needs of the creditors. While in the constituency some countries like Estonia have very low levels of debt, others like Ukraine face significant issues that might make such approaches worthwhile.

The seminar was opened by Peep Peterson, the President of the Confederation EAKL. The economic situation in Estonia is not bad, and unions are negotiating pay increases and improvements in working conditions. The labour market is strained as many left the country and workers come from especially the Ukraine to fill the gaps. This creates friction as employers use the informal economy. The dialogue with the government has improved both at sectoral and national level. Minimum wage has improved. The experience is still recent, so we have to see how this develops. For the unions the message is organise, organise, organise as union density is among the lowest in Europe.

Delegates discussed with Meelis Virkebau the Estonian system of conciliation in the case of industrial conflict. The state conciliator showed with concrete examples how conflicts were resolved. He was critical of so-called mushroom companies. These are companies that operate in the dark because they do not inform nor consult the workers and the unions. These are companies that seek profits above all else and will not share productivity growth with workers.

Irene Petraitiene of the Lithuanian State workers union presented the work of the PSI Women’s Committee and the EPSU Women and Gender Equality Committee. The prospect of EU legislation on pay transparency to assist in closing the gender pay gap was discussed. The unions agreed to demand of their governments to

speed up the ratification of the Istanbul Convention to Stop the Violence against Women. They will address this jointly to their governments in the lead up to the 25 November global day to demand an end to violence against women.

Alina Tankeliun of the Lithuanian Health Workers, and the EPSU Youth network explained the EPSU youth survey and its messages especially with regard to recruiting young people in trade unions. It is important to speak with young people as many have never been asked to join a union. The unions need to address the issues which are of concern including precarious work so workers understand that together in the union they can change the situation. And unions need to understand that they need young workers to renew, innovate, grow and remain relevant.

The EPSU General Secretary and Kalle Livamagi and Sander Vaikma, respectively the Presidents of the Rotal (government workers) and Energy workers Trade unions met the Prime Minister Juri Ratas, 28 Augustus. They discussed with the Prime Minister the importance of addressing climate change and ensuring a just transition, the implementation of the transparent and predictable working conditions directive, the role of the European social dialogue and the need to have Estonian employers being represented in the European social dialogue. The restrictive nature of the right to strike for public service workers was criticized. We argued for amendments to the legislation.

The delegates informed each other of country specific developments, considered the work programme of EPSU and the recent work of the ILO on the Future of Work and the new Convention on Combatting Violance and Harassment at Work. The constituency elected Yurii Pizhuk of the Ukrainian State Workers Trade Union to chair of the constituency. He follows up Olexij Romanjuk. The delegates thanked him for the way he chaired the meeting and his leadership. Vice-chair is Gayane Armaghanova of the Armenian Health Workers trade union.

The state workers unions from Ukraine, Estonia and Lithuania used the occasion of the meeting to sign bilateral cooperation agreements to support each other and strengthen their joint work.

The meeting took place in Tallinn, 28-29 Augustus 2019. Unions from Armenia, Belarus, Estonia, Georgia, Latvia, Lithuania and Ukraine participated.

Background

- Documents for the meeting (members only)

- EPSU/PSI Publication - Why we need public spending and the critique on PPPs which often feed public debt.
- The UNCTAD's Sovereign Debt Workouts: Going Forward - Roadmap and Guide (2015). The work of www.erlassjahr.de on convincing the German government and others on changing its attitude towards public debt resolution. The NGO published a report.
- EPSU Youth Survey
- Right to Strike in Estonia
- The Resolution on the ILO Centenary Declaration for the Future of Work based on the Future of Work report of the Global Commission and the Convention 190 on Combating Violence and Harassment in the Work place. The Council of Europe Convention on preventing and combating violence against women and domestic violence (Istanbul Convention).



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