



OECD Public Governance Ministerial Meeting Trade Union Statement 28 October 2015, Helsinki, Finland

- 1. The Trade Union Advisory Committee to the OECD (TUAC) and the Public Services International (PSI) welcome the opportunity to contribute to the OECD Public Governance Ministerial in Helsinki on 28 October 2015.
- 2. We welcome the efforts by OECD member states to help strengthen public governance institutions and rules to effectively achieve "inclusive growth". This is a much needed outcome in the context of rising inequalities between and within societies, growing social unrest and public mistrust in the ability of governments to deliver policies that promote economic and social well-being.
- 3. Building governance mechanisms for inclusive growth requires transparent and accountable public administrations and government. But it also requires a vibrant and independent civil society that can speak on behalf of citizens.
- 4. Ministers and government representatives meeting in Helsinki will rightfully be asked how to "better listen to citizens to improve public policies and services for inclusive growth". For their voice to be heard, citizens need to be empowered and organised collectively, be it in their local communities, in the workplace, and, more broadly, in the public sphere. "Stakeholder engagement" processes that treat private businesses and citizens on equal footing are the wrong way to proceed. Citizens have rights that do not benefit private businesses and citizens' rights need to always precede private business interests, even if they are not in line with specific corporate goals. Empowering citizens through collective representations across society from the most vulnerable groups to the middle-class will help rebalance the terms of the policy debate in the face of powerful business interests.
- 5. The policies that work for inclusive growth are those that are designed by a whole-of-government approach including a transparent process on policy choices, between line ministries and the Treasury, between executive and parliamentary bodies and between local and central government. The closer to communities the decision making, policy design and implementation processes are, the better.
- 6. Public integrity is also essential to support public trust in government. Better whistleblower protections within public administrations will assist in increasing public trust, stamping out corruption, resisting policy capture and promoting more impartial policy advice.
- 7. Policies that work for inclusive growth are also those that promote social dialogue in both, the private and the public sector and allow for negotiations between trade unions and employer organizations. In the public sector that, in turn, calls for a respectful treatment of

employees by listening to their concerns and ensuring they are safe and confident about their future, by ensuring their trade union rights, eliminating precarious work and ensuring pension security. Public sector workers deserve fair and transparent wage setting processes. While private sector performance-oriented and individualised wage-setting mechanisms may appear attractive on paper, they are simply not fit for public service duties.

- 8. Austerity measures have hit the public sector hard since 2010. Low trust in government and concerns about public budget balance should not be used as an excuse to privatise or to push for badly governed and opaque public-private partnerships. Delivering quality public services requires sustainable funding. The gradual erosion of public finances across OECD economies in the past decade is concomitant with growing concerns about tax evasion and avoidance. Revenue losses from aggressive tax planning by multinational enterprises are conservatively estimated by the OECD at USD100-240bn annually, or anywhere from 4-10% of global corporate income tax. The road toward inclusive governance also begins with ensuring private sector pays its fair share of taxes.
- 9. In devising a people-centred approach to public governance of inclusive growth, we encourage OECD Ministers to consider the following priorities:
 - Empowering citizens through collective representations in their local communities, in the workplace, in the public sphere, and across society from the most vulnerable groups to the middle-class. The foundation of a public governance approach to inclusive growth is the existence of a vibrant and independent civil society that can speak on behalf of citizens;
 - Ensuring transparent and accountable policy processes within government, with parliamentary bodies and commit to the high public integrity standards, including better whistle-blower protections within public administrations;
 - Promoting social dialogue between trade unions and employer organisations and ensuring a respectful treatment of public sector employees by listening to their concerns and ensuring they are safe and confident about their future; and
 - Ensuring the delivery of essential public services to all citizens to enhance their wellbeing and provide safeguards in times of economic downturns. The road toward inclusive governance and growth begins with ensuring sustainable funding of public services and public administration, which in turn calls upon the private sector to pay its fair share of taxes.