



## **WORKERS AND TRADE UNIONS MAJOR GROUP STATEMENT**

**Habitat III, 19 October 2016, Quito, Ecuador**

Distinguished Chair, Excellencies and Colleagues,

I have the honor to speak here on behalf of the global trade union movement, bringing the voice of all city workers to Habitat3. For workers, the recognition of Decent Work as a pre-requisite for the successful implementation of the New Urban Agenda is fundamental. However, we are very concerned since a number of key issues remain unaddressed.

First, no mention is made of freedom of association, collective bargaining and social dialogue. By ensuring constructive dialogue and negotiations leading to binding collective agreements between worker representatives, business and government on working conditions and broader macro-economic policy. Collective bargaining is one of the most powerful mechanisms to fight poverty and inequality, bridge the gender pay gap and contribute to the inclusion of vulnerable groups, such as precarious and informal economy workers.

While we recognize the relevance of multi-stakeholder dialogue platforms that include trade unions, these cannot replace bi- and tri-partite collective bargaining mechanisms. We ask UN-Habitat to fully include trade unions in the governance system for the implementation and follow up process of the New Urban Agenda and to ensure representation of workers at a level on par with business.

Second, when it comes to municipal finance and fiscal systems, we cannot accept a corporate-like vision of cities that compete with each other on the stock market and on a fiscal race to the bottom. Instead of recommending increases in user charge fees and undifferentiated land value capture we need more progressive ways to raise endogenous sources of finance. We must ensure corporations pay their fair share of taxes where they make their profit.

Tax justice is a prerequisite for the sustainable funding of quality public services that drive equality and socio-economic inclusion for all city dwellers. The New Urban Agenda needs to face these tough questions if it is really serious about securing sustainable finance for its implementation.

Third, public procurement in the New Urban Agenda must be used as a lever to achieve social, environmental and local economic development objectives. The inclusion of social and labour clauses and health and safety provisions in public procurement contracts is a question of life or death for construction workers.

We also need an integrated approach to combat corruption, ensure accountability and transparency, dealing with collusion between business and governments that strip public funds: such a framework includes the protection of whistle-blowers.

Fourth and final, vested private and corporate interests are pushing for opening up the markets of essential public services such as water, sanitation, energy, transportation, education and housing, which are all so closely interlinked to the enjoyment and respect of fundamental human rights and dignity. Let us not be naïve: the private sector is not interested in delivering services for the common good, they want to deliver shareholder returns. Essential urban services and infrastructures must stay public, be universally accessible and democratically accountable- when accountability is blurred, and

profit seeking becomes the main objective, universal access suffers and serious equity issues occur. We know out of experience that PPPs are an expensive and inefficient way of financing infrastructure and services, since they conceal public borrowing, while providing long-term state guarantees to the private sector. Public finance, re-municipalization and public-public partnerships should be considered as a priority route to achieve the New Urban Agenda.

As trade unions, we will relentlessly continue to advocate and work to build fair, inclusive cities and denounce labor abuse. We demand that cities are for people, not for profit.

Thank you.