



Goodbye universal services? The Undermining of Health and Social Services in the European Union

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details and program http://www.greens-efa.org/cms/default/dok/191/191286.goodbye_universal_services@en.htm

The role of Public Institutions as Service Providers

Brian Synnott

**European Federation of Public Service Unions (EPSU)
Communications and Campaign Officer**

First of all let me thank the Green/EFA group for the invitation and for organizing this conference. I think that it illustrates two very positive things; firstly the ongoing pledge of the Green group to making concrete contributions to the debate on public services in Europe, and secondly because the audience representing over 100 different European and national actors, underlines the interest in and commitment to positively shaping how health and social services are perceived in the EU.

The European Federation of Public Services (EPSU) represents over 200 public service unions in Europe. Our largest sector is health and social services which comprises 3.5 million members. I think even the fact that in EPSU structures Health and Social Services comprises one unified sector is significant. We heard yesterday from many contributors, Jean Lambert called it a 'false division', the importance of health and social services being seen together, and EPSU subscribes to this view wholeheartedly.

I would like to outline my own changing role in EPSU as perhaps a microcosm of the wider debate we need to have on universal services. For 6 years I was responsible for the health and social services sector in EPSU. Now I am communications and campaigning officer for EPSU. I think this switch is exactly the same as the one we have to make in terms of how universal services are articulated at EU-level. We need to accept that we have the expertise in health and social services, that we are aware of the issues, and that we can propose the right solutions. However, until we genuinely switch to a *shared campaign footing*, our message is likely to be at



best diluted, and at worst utterly lost. The Intergovernmental Conference (IGC) provides an ideal platform upon which to mobilize.

In my intervention I wish to focus on 5 elements:

1. the Changing care services and labour markets in the EU
2. EPSU's role in the Services Directive debate
3. the debate surrounding Services of General Interest and Services of General Economic Interest, and what it means for health and social services
4. the EPSU campaign on Quality Public Services – Quality of Life
5. the implications for health and social services in the Reform Treaty

The provision of social care is one of the most important issues facing European countries. Changing demographic structures, local labour markets, migration policies and systems of financing social services all influence social care provision. The role of informal care continues to play a central role in care provision.

National social expenditure, as measured by the percentage of Gross Domestic Product, increased from 1980 to the mid-1990s but declined after 1995, in many European countries. Since 2000, there has been some slight increase. The majority of European countries spend over 20% of the value of their GDP on social expenditure, which includes a range of expenditure, for example, pensions, social security benefits, and residential and home care services.

Care provision in Europe

The European Commission estimates that the number of people between 65 and 79 living in the European Union will grow by 37% between 2010 and 2030. There have already been extensive changes taking place in the financing of care and the support for carers, which affect the demand for care from public, private and NGO providers. These changes have also led to the development of new occupations and roles in social care.

A recent survey (Pommer et al., 2007) of care needs, as defined by levels of disabilities, in the over-50s population, found that 32% of the over-50s in Europe suffered some form of impairment. These rates are higher in Mediterranean countries and lower in Nordic countries and the Netherlands. Access to an informal network reduces the chance of receiving formal care, in all countries. This is a very significant finding because care provision, in all countries, is strongly dependent on informal care provision.

France, Italy, Poland and the UK provide care allowances, which enable a person needing care to buy specific care services. In France, this allowance is known as the Personalised Autonomy allowance. In Italy, home care vouchers are available for older people needing care. In the UK, direct payments for care services are available to people with high levels of disabilities. In Spain, a new social care law has also introduced new individual rights and responsibilities for care services.

Cross border mobility



Between 1995 and 2001, 2 million jobs were created in health and social care services, 18% of the total jobs created (European Foundation, 2006). In addition, low pay, the poor image of care work and poor training opportunities as contributed to dampening the latent demand for care services. In many countries, the care sector faces a shortage of labour and is unsuccessful in attracting younger workers.

Increasingly EU and national migration policies are having a major influence on the social care labour market. There have been significant increases in inflows of foreign workers, into many countries of the European Union, over the past decade, although their contribution to the overall labour force varies.

In Belgium, Germany, Greece, Netherlands, Norway, Sweden, Switzerland and the UK over 10% of health and community services workers are foreign born (Dupont, 2006). Although the term 'foreign born' can cover workers who have been resident in a country for much of their lives, these figures give some impression of how health and community services depend on foreign-born workers.

Training and registration

The registration and accreditation of social care workers is less advanced than in child care. Child care is often associated with an element of pedagogy and this has raised the expectations of the standards of child care workers. Minimum qualifications for child care are higher than for social care. Nordic countries have higher standards for both social and child care workers. Greece and the UK have recently introduced new social work degrees.

One of the goals of registration is to make care work more appealing to younger people. A crucial factor in developing training for care workers is whether the training provides opportunities to enter similar professions, such as nursing or social work. Not all countries have achieved this synergy between different types of training. This will influence whether younger people are interested in training to be care workers.

Volunteers

Volunteers are part of the non-paid care workforce who, along with carers from the family and non-kin carers, provides informal care. Informal care plays a central role in care provision. The impact of volunteers on working conditions and the professionalisation of care work are influenced by the role that volunteers play in European societies. There are different national traditions of volunteering and voluntary organisations provide different contributions to local and national care sectors. Similarly, the national profile of volunteers also varies, with different age groups active in different countries. The potential of volunteers to undercut paid care workers, also has to be considered in the context of the extensive amount of informal care provided by women, throughout Europe.

Collective bargaining

There are new developments in collective bargaining that are drawing the private and not for profit into formal agreements. This reflects the growing role that these sectors play in the



provision of care services. The existence of active umbrella organisations that can represent the interests of care providers is essential for the development of sectoral agreements.

Countries in Eastern and Central Europe are successfully negotiating higher annual pay increases than in many Western European countries, although they are starting from a low wage levels.

Changes in the nature of funding, in the care sector, are influencing the development of a social care labour market. Migration plays a role in ensuring the provision of care workers in many European countries. Countries will continue to face problems in recruiting care workers because of the low status of the sector and an ageing workforce. Changes in training and registration aim to raise the profile and status of the sector but these will only gradually change the way that the sector is viewed by younger people. The continued importance of informal care is gradually being recognised as an important factor in shaping the formal care sector.

- **EPSU's role in the Services Directive debate**

Before going into the detail of EPSU's role, First of all I wish to relate a story about how easily the European Commission can hijack the debate. In the summer of 2004 when the debate on health and the services directive was at its height, I was contacted by a reporter from a European newspaper (I won't say which) and asked why it was important that health is excluded from the directive. I explained in much the same way as many mentioned in the debate yesterday – the specific nature of health services, the fact that it could not be characterized as a series of commercial transactions, the principles of universality, solidarity, accessibility and affordability. At the end of the interview I mentioned that these principles need to be articulated before the European Court of Justice further defined the issue of patient mobility. My point was simply to ensure that all patients have the same rights. In the paper the next day the headline was “ Public Service Unions against patient rights”. What was more worrying was that the quote to back this up came from a Commission Official (from DG Internal Market). He went on to talk about the value of individual choice for patients. Omitting of course that it cannot be a choice if it is not available to all. This story illustrates how difficult it is to keep the debate framed around the concept of universal services.

Thanks to a leaky Commission official (!) EPSU were able to obtain a draft version of the services directive in December 2003. We then outlined this to a meeting of the European Health Policy Forum. The response from the Forum was extremely encouraging and the sheer number of organizations who actively lobbied for exclusion of health was striking. Of course the unambiguous exclusion of health was the result.

It is interesting to contrast this result with how social services were treated. In the European Parliament there was a major victory in February 2006 when social services were excluded. It was actually the only non-grand alliance amendment to pass. Unfortunately, in Council it became more ambiguous, particularly in recital 33 relating to help for the elderly. Perhaps we should reflect on how the conceptual link of health and social services should be reflected in representative EU bodies.



- **the debate surrounding Services of General Interest and Services of General Economic Interest, and what it means for health and social services**

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The debate on the services of general interest (as the services with a public interest are called in the EU-jargon) is about how to give the public services including social and health services a proper legal status and position within the EU-legislation. I would liken the Commission's ever-shifting definitions as akin to a 'shell game', hiding and moving the ball under three cups, and asking us to guess where the ball is. The accurate definition, represented by the ball, is that these services are simply universal, and must be promoted in a way that allows them to carry out their, *by definition*, essential role in society. However the Commission continues to obscure the true definition, by placing the emphasis on what category of service is being provided; "is the ball under the Service of General Economic Interest cup? Is it under the Social Service of General Interest cup? Is it under the non-economic cup? None of these categories matter when compared to the simple point; is this a universal service carrying out an essential societal role? If the answer is yes, then that service should have *legally applicable principles* which allow it to function.

The Commission has been playing the same shell-game for 10 years now. It is time to cry 'con'! The references to public services in the Reform Treaty give us an opportunity, finally, to push for legally applicable principles to be applied.

- **the EPSU campaign on Quality Public Services – Quality of Life**

Although the Commission has written two policy papers on SGI –the green and white paper, it hasn't taken any legislative action afterwards. Although the process was launched 4 years ago, there is still no sign of Commission proposals. Even the Parliament is taking a relatively restricted approach. For that reason EPSU launched last year a public services quality campaign – "Quality Public Services – Quality of Life". We regard it as trade unions essential for the future of a social Europe that public services are run by principles like universality, continuity, affordability, democratic control and in general solidarity, and that they will not be ruled by competition or profit-making. It should be indisputably clear that the general interest should always prevail over competition or market rules. We are, however, aware that this is only possible if those principles are embedded in EU legislation, and therefore we call in our campaign and also in our responses to the Health and social services consultation explicitly for a EU legal framework on all public services. According to such a framework member states would be obliged to run their public services by the general principles, and in case there would be a clash between market or general principles, the legal framework would guarantee that the general interest prevails. A framework like this would also give Member States much more freedom to define themselves what they regard as the public interest.

An important element is that this campaign has attracted many allies, including the ETUC, PSE, CEEP, Social Platform, EAPN, the GUE/NGL group and of course the Green group. This is a formidable alliance.



However in mobilization terms there are a number of barriers. The largest of which is saying to trade union members that something good might actually come out of the European Union. It was quite easy in the services directive debate to say that health and social services were at risk of being liberalized and it had to be stopped. It is another step to then explain that we have a positive alternative, which would also take the form of a directive. However in EPSU policy this is the only option, however difficult it is to sell. Why? Because it is simply not possible to be Ostrich like and put our heads in our respective national sands and hope that the problem goes away. As was mentioned yesterday, the Services Directive was the Commission's attempt at a 'big bang' solution. When that didn't work they went back to the incremental approach, slowly allowing the European Court of Justice to define health and social services in a more and more liberal way. The shifting definition of what constitutes a service of general interest is an illustration of this.

Our leaflet is available in the conference pack. The campaign is based on two strands; the collection of One million signatures calling for a legal instrument for public services at EU level. And secondly organizing events and examples of good practice in public service through our network of EPSU campaign coordinators.

On the first aspect I am happy to report that we are half way there to achieving our target, having collected 500,000 signatures. On the second we have organized over 30 national events, and happily many of these have involved national affiliates to many of the European organizations represented here.

- **the implications for public services in the Reform Treaty**

The reference to public services in the reform treaty, specifically article III-122 and the attached protocol, has been hailed as "a giant step forward". Harlem Désir, vice-president of the Socialist Group, who chairs an informal network of seven organizations, said: "The mandate adopted by the European Council for the Intergovernmental Conference includes two pieces of good news for the safeguarding of public services.

"First, it introduces in the Treaty a provision for the adoption of European legislation to clarify these uncertainties without taking away the responsibility of member states to define, organize and finance public services. Second, it introduces a new protocol which recognizes the diversity of public services and the primary authority of member states for setting their operational framework. The protocol also establishes a number of fundamental principles, such as quality, safety and affordability, which should guide the provision of public services."

The President of the Committee of Regions, Michel Delebarre said "The mandate for the new Reform Treaty, and the Directive on public services which it calls for, will ensure for the first time that the concepts of the public good and public service have a secure legal basis and that their relationship with European internal market and competition rules is clearly defined".

The EPSU General Secretary stated that "It is now politically and legally urgent to clarify the rules applied to services of general economic interest in Europe, to guarantee that they will not be



submitted to the sole logic of the internal market and competition." "We ask the European Commission once more to stop launching largely non-committal, cosmetic and non-legislative initiatives in this respect. "We need a concrete EU horizontal legislative proposal on public services."

A joint letter was sent to Commission President Barroso in July. We are still waiting for a response.

The provision is still open to debate. However, the reference and protocol needs to be used as a launching pad for a framework directive. This will take some strong coordinated lobbying.

Summary of points covered in intervention:

- The Changing care services and labour markets in the EU
- EPSU's role in the Services Directive debate
- the debate surrounding Services of General Interest and Services of General Economic Interest, and what it means for health and social services
- the EPSU campaign on Quality Public Services – Quality of Life
- the implications for health and social services in the Reform Treaty

Conclusions:

For EPSU the struggle to positively defining health and social services and most importantly so that they maintain, and indeed bolster, their standing as universal services has to be outlined at EU level. We believe that we must grasp the nettle, and say that unless there is a clearly defined directive for public services, underpinned by actionable treaty provisions, what we will see is an incremental, long march towards liberalization. But in order to achieve the legislative agenda we need a strong political will. EPSU intends to use the next 20 months to make the protection of health and social services a central part of the debate in the run up to the European Parliamentary elections in 2009. We hope that the alliances that we have forged will continue to grow, so that we can achieve our shared campaign aims.

Thank you for your attention

Brian Synnott

Campaigns and Communications Officer

European Federation of Public Service Unions (EPSU)

www.epsu.org

