

The impact of the opening of electricity and gas markets on employment in the EU-27

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The impact of the opening of electricity and gas markets on employment in the EU-27, and of key EU directives in the field of energy

Summary report

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Introduction

The internal market in electricity and gas was the subject of Council Directives 96/92/EC and 98/30/EC respectively, representing an important step towards the creation of an internal market in these sectors. These Directives came into force in February 1999 for electricity and August 2000 for gas. In 2003, two Directives were adopted setting deadlines for the full opening of the EU energy market; 1 July 2004 for business customers and 1 July 2007 for households.

The Directives were adopted with the explicit aim of benefiting customers through lower prices generated by greater competition. It was also expected that a lowering of energy prices would lead to the preservation and further creation of employment in sectors heavily dependent on energy use for production, though there was at the same time a concern that greater competition would lead to job losses and poorer working conditions in energy businesses.

The first study into the effects of liberalisation on employment in gas and electricity industries was carried out by ECOTEC Research and Consulting Ltd on behalf of the European Commission in 2000/01. The study confirmed the concerns of trade unions and estimated that over 250,000 jobs were lost in the sector between 1990 and 1998 and significant further reductions were expected with the on-going liberalisation process.

This study into employment effects of opening of gas and electricity markets (2006/2007) has seek to expand on those findings by covering the enlarged EU-27 and Turkey, and by taking into account recent key legislative acts related to the energy sector . The study has also seek to capture examples of good practice of the process by which restructuring has been achieved and managed by different energy companies.

This summary report should be read in conjunction with the main analysis report and separate country chapters that analyse the effects of the deregulation process on employment at a Member State level. Ten case study reports provide a more detailed assessment of the net employment outcomes of the on-going restructuring in ten EU Member States, and also include descriptions of how 12 energy utilities have managed the restructuring process. These case study reports and company descriptions are from Denmark (DONG), Estonia (Eesti Energia), France (EDF), Italy (ENEL), the Netherlands (Gasunie and Intergas), Poland (Electrabel Polaniec), Slovenia (Elektro Ljubljana and Elektro-Slovenija), Spain (Iberdrola), Sweden

(Vattenfall) and the United Kingdom (Centrica).

For the full summary:

- [Summary report](#)

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- [Main report](#)

European employers and trade unions adopt Joint statement on the Employment study

The joint statement underlines that it is important to explore the effects of the

internal market on employment and including on issues such as outsourcing which has increased considerably. The research should be ongoing.

- [To read the joint position with Eurelectric, click here](#)

- [For the joint position with Eurogas, click her](#)

The text is also available on the website of the European Commission

[http://ec.europa.eu/employment_social/employment_analysis/restruct lib gas el07 en.htm](http://ec.europa.eu/employment_social/employment_analysis/restruct_lib_gas_el07_en.htm)

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