



European Federation of Public Service Unions
(EPSU)
Rue Royale, 45
B – 1000 Brussels
BELGIUM
Tel. : 32 2 250 10 80
Fax : 32 2 250 10 99
E-mail: epsu@epsu.org
Website : www.epsu.org

EPSU Executive Committee statement on Services directive and public services

Adopted by the EPSU Executive Committee, 29 & 30 November 2005

1. EPSU strongly condemns the decision on 21 November in the European Parliament's IMCO Committee to include Services of General Economic Interest (SGEI) within the scope of the Directive. This condemnation is based on respect for the European political process rather than on ideological grounds. The White paper process on SGEI based its conclusions on the draft Constitutional Treaty. The failure of the Treaty means that SGEI have still to be clearly defined. In the absence of such a definition, the Services Directive, without any transparent political debate, will adversely affect some public services.
2. EPSU EC expresses its continued opposition to the Services Directive as it stands. The vote in the European Parliament IMCO on 21 November has left the main elements of the Commission's proposal unchanged, and is therefore unacceptable. The EPSU Executive Committee reaffirms its resistance to all measures that provoke social dumping, such as the country of origin principle, and it underlines its concern for the internal market to respect the social acquis, labour law and collective bargaining, and to safeguard quality public services. The EPSU Executive Committee expresses support for all initiatives going in this direction.
3. EPSU's experience has been that once public services are opened up to competition, there is pressure to limit the public service obligations placed on private sector providers. Also, for some sectors that come under EU competition policy (e.g. social housing, hospitals) public service obligations have yet to be defined at EU level. Given that the main thrust of the Services directive is to remove, or to lessen as much as possible, regulations affecting services providers (including authorisation schemes and effective monitoring procedures) this situation will be aggravated. Public authorities, whose "raison d'être" is to improve social inclusion, will be constrained in their ability to carry out this core function.
4. EPSU calls on the Parliament, the Council and the Commission to recognise the important contribution that public services make to European social and economic integration, and not to jeopardise this by including SGEI in the Services directive. Rather, they should support a positive legal framework on SGI/SGEI.
5. The rejection of the Constitutional Treaty must be understood as a political signal to reorientate the construction of the European Union. The European Institutions are missing an historical opportunity to reconnect and re-enthuse European Citizens. This is due to a fixation on market-based ideology, and an ignorance of the importance of the social dimension in the European project.

6. Furthermore, the Lisbon agenda cannot be achieved by pitting Member States social systems against each other. Citizens will ultimately reject economic integration and the Internal Market if they perceive that it is a threat to their security. Already, there are signs that trade between Member States has fallen since 2000 and that price differences are increasing.¹ This is proof that the current European strategy of stimulating competition, rather than cooperation, between Member States is not working.
7. The draft Services Directive is but one illustration of the current flawed strategy of pursuing less social Europe, rather than more. The working time directive, the temporary agency directive, and the ports directive are also other examples. EPSU believes that a coordinated trade union mobilisation in early 2006 linking the different dossiers together would be the best way forward.

28.11.05

¹ Mateo Alaluf, reported in l'Echo 22.11.05