



European Federation of Public Service Unions
Press release – 15 December 2003

**“Study on black-outs draws attention to human factor
and public interest”**

A new study *Blackouts: “Do liberalisation and privatisation increase the risk?”* by Dave Hall and Steve Thomas draws attention to the consequences employment cuts can have on the provision of electricity as an essential service. EPSU commissioned the study from *Public Services International Research Unit (PSIRU)* on the occasion of the Council of Ministers for Energy, 15 December 2003. The Council will consider the package of measures to promote security of supply proposed by the European Commission. The package is proof that the internal market will not deliver reliability and continuity of service. Stringent government intervention is needed to protect the public interest.

The study considers the causes of recent blackouts. It finds that liberalisation leads to a clash between commercial and public interests. While the study confirms recommendations of UCTE, Commission and others for more control and regulation, it also highlights the human factor. There have been extra-ordinary job losses in the sector¹. The job losses and the process of contracting-out of key maintenance tasks have had an impact on the ability of companies to maintain security of the networks and to react to emergencies. The study further points out that the sector is likely to face skill shortages and a lack of qualified staff. It ends with a set of recommendations essentially arguing for more government and regulatory oversight, obligations to employ and train a skilled workforce, a limit to contracting-out, and more openness and transparency to allow stakeholders and citizen groups to participate in regulation.

“The Commission forgets that ensuring security and reliability is not just a matter of more investment in lines and plants or stricter rules. It is also a question of having sufficient and qualified staff. Neglecting the human factor is detrimental to the provision of a high quality service”, says Jan Willem Goudriaan, EPSU Deputy General Secretary. “We welcome the study’s recommendations to strengthen the public interest. The internal market and commercial interests will not safeguard this.”

EPSU demands that the Commission and Council incorporate this social dimension into their proposals.

For a copy of the study please email epsu@epsu.org. It exists in English only: The study will become available on 16 December 2003 at www.epsu.org.

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*The **European Federation of Public Service Unions** is the largest federation affiliated to the ETUC and represents 10 million workers providing services to the public in health and social care, local, regional and central government, and utilities in energy, water and waste.*
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¹ EPSU estimates that around 300.000 jobs have been lost since 1991. These estimates are based on company documents, national statistics and trade union reports. A study for the European Commission (2000) confirmed EPSU figures of 250.000 job losses for 1990-1999.