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Joint press release

Celebrating World Public Services Day *Time to put the heart back into Europe*

(Brussels 23 June 2011) On the occasion of World Public Services day, the European Federation of Public Service Unions (EPSU), the European Transport Workers' Federation (ETF), the European Trade Union Committee for Education (ETUCE), UNI Europa, the European Service Workers' Union and the European Federation of Building and Woodworkers (EFBWW), endorse the *Quality Public Services—Action Now!* campaign launched by the Council of Global Unions today¹.

They warn European Union policy makers that more market-opening and competition will not solve current problems and call on them to recognize the place of public services in the construction of Europe. *"The crisis was driven by the search for excessive, short-term profits. Only if the EU tackles this problem will Europe be on the road to recovery. The EU coordinated austerity package will make things worse – what is needed is to activate the 'positive' hooks in the Lisbon Treaty that can lead Europe towards a fairer, economically stronger and more sustainable future"*, said **Carola Fischbach-Pyttel**, EPSU General Secretary.

The EU's 'pre-crisis' policies contained little reference to the contribution which public services make to job creation, prosperity and welfare, nor to the importance of public investments and wide access to public services. The 'post crisis' policies reflect no learning from this mistake. Until they do so Europe is not going to go anywhere.

ETF General Secretary **Eduardo Chagas**, added, *"This is clearly visible in the recently published White Paper on transport which focuses on further liberalization of e.g. public passenger transport, or in the revision of the legislation on public procurement and on service concessions, where pursuing the cheapest solutions rather than strengthening public services quality, is the objective."*

A key tool to put Europe on the right track is fair and progressive taxation², including the Financial Transaction Tax and new EU policies to help Member States develop and improve their public services – the backbone of modern and successful economies – rather than to continue to carve them up and sell them off for a quick profit, as for example is now happening to the port of Piraeus in Athens.

Martin Rømer, ETUCE Director, pointed out: *"Since 2008, the Council and the Commission have repeatedly declared that cutting in public services, notably in education and training is damageable for the economy and social cohesion in Europe. Member states should now take their responsibilities and be consistent between their commitments at the EU level and the national budget-making. To do so, the most urgent measures to be taken are fair, effective and equitable tax systems that will enable the required investments in public services."*

"Financial exclusion is increasingly a problem in the EU. UNI Europa supports the view that banks should be obliged to offer a basic current account for everyone. Alternative commercial providers and not-for-profit

¹ <http://www.qpsactionnow.org/>

² For principles of fair taxation see http://www.epsu.org/IMG/pdf/RevisedTAX_charterFINALCLEAN.pdf.

financial services providers play an important role in providing basic bank accounts, but they should not be the only alternative. A basic bank account must be ensured by mainstream providers in order to ensure a free choice of all costumer groups and avoid a stigmatising effect.” stated **Oliver Röthig**, Regional Secretary of UNI Europa

Sam Häggglund, General Secretary of EFBWW underlines that *“a strong public service is also necessary to control that rules and regulations in Europe are complied with. If we really want to come to terms with problems connected to social fraud and the circumvention of employers’ obligations, we need highly qualified, well-staffed and equipped public services, able to prevent, control and sanction the actions of fraudulent companies. For the moment the liberalized Internal Market is insufficiently dealing with social fraud connected to cross-border activities..”*

EPSU, ETF, ETUCE, UNI Europa and EFBWW recall that the Protocol on Services of General Interest³, which is included in the Lisbon Treaty and binding on all Member States, as well as the ‘horizontal’ social clause⁴, and the Charter of Fundamental Rights should have a practical impact on EU and national policy. With the adoption of the Lisbon Treaty there are now clear obligations on the European Union to act in the area of public services. At the very least, the EU should assess the impact of all the Single Market and other EU initiatives on public services. The Communication to implement the Fundamental Rights Charter⁵ proposes a ‘checklist’ to ensure that all EU *“legislative and decision making must be in full conformity with the Charter.”* Such a checklist should also be developed in relation to the SGI Protocol.

However, there are a number of different EU policy initiatives on the table that address the interplay between competition rules and public services but without any reference to the principles contained in the Treaty Protocol, such as universality, equal access and quality of services. Key examples include the upcoming revision of the Public Procurement Directives, the initiative on Services Concessions, the upcoming State Aid Package and the discussions on international trade agreements and public services.

Furthermore, the European Commission refuses to initiate a comprehensive evaluation of EU liberalisation policies to date or to draw the lessons from research that shows that liberalization of public services has had negative effects on employment, fuelled inequality among consumers (with less well-off or geographically remote consumers faring worse), and has not necessarily improved the quality of services and productivity in general. In countries where more positive developments in service provision can be identified, this is mostly due to better regulation than to competition or private corporate initiative.⁶

The EPSU, ETF, ETUCE, UNI Europa and EFBWW underline that alternatives to competition, such as public-public cooperation are valid ways of improving public services and have been shown to be very successful⁷. They are also less at risk from problems of corruption or mismanagement in situations where governance and public control is weak. This is all the more reason for Europe to promote these models over public-private partnerships. .

EPSU, ETF, ETUCE, UNI Europa and EFBWW emphasize that there are viable alternatives to the EU’s current approach, in order to contribute to quality of work and quality of life for all. Affordable public education, healthcare, social protection, housing, energy, water, public transport and accessible finance services are vital for the welfare of a large majority of people. If governments do not invest in these areas,

³ This calls for “a high level of quality, safety and affordability, equal treatment and promotion of universal access and of user rights”

⁴ This says “in defining policies and activities the Union shall take into account requirements linked to the promotion of high level of employment, the adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health”.

⁵ COM (2010)573

⁶ See PIQUE research results <http://www.pique.at/project/aim.html>

⁷ See water examples <http://www.europarl.europa.eu/activities/committees/studies/download.do?language=en&file=31831>).

they cut opportunities for a fairer society and as a consequence promote a policy of inequality. Europe needs social governance and an economic model that serves the needs of citizens at large and not just a cast of privileged few.

ENDS



EPSU is the European Federation of Public Service Unions. It is the largest federation of the ETUC and comprises 8 million public service workers from over 275 trade unions; EPSU organises workers in the energy, water and waste sectors, health and social services and local and national administration, in all European countries including in the EU's Eastern Neighborhood. EPSU is the recognized regional organization of Public Services International (PSI). For more information on EPSU and our work please go to:

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ETF the European Transport Workers' Federation is a pan-European trade union organization which embraces transport trade unions from the European Union, the European Economic Area and Central and Eastern European countries. The ETF has affiliated unions which organize workers in railways, road transport and logistics, maritime transport, ports and docks, inland waterways, civil aviation, fisheries and tourism services. The ETF represents more than 2.5 million transport workers from 243 transport unions and 41 European countries, in the following sectors: railways, road transport and logistics, maritime transport, inland waterways, civil aviation, ports & docks, tourism and fisheries.

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ETUCE, the European Trade Union Committee for Education is the European Region of Education International. It represents 135 teacher unions in Europe, i.e. 12.8 million teachers from all levels of the education sector in 45 countries. The ETUCE is a social partner in education at EU level and an industry federation of the ETUC, the European Trade Union Confederation.

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UNI Europa is a European trade union federation that represents 7 million workers in the commerce, telecom, post, finance, IT and business services, personal services, private security, cleaning, graphical and printing, temporary work agencies, media and cultural, tourism, social insurance and gambling sectors. UNI Europa is affiliated to the ETUC (European trade union confederation), and is part of the global union federation – UNI Global Union (UNI).

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EFBWW, the European Federation of Building and Woodworkers, organises 75 national trade unions from 31 countries. The EFBWW is a recognized European social partner for the construction, wood and furniture sector.

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