



The ETUC mobilisation for crucial changes to the draft services directive to protect workers

Statement adopted by the ETUC Executive Committee in their meeting held in Brussels on 5-6 December 2005

The Executive Committee of the European Trade Union Confederation (ETUC) is critical of the outcome of the vote of 22 November in the European Parliament's Internal Market and Consumer Protection (IMCO) Committee on the draft Services Directive.

The majority of IMCO Committee members rejected major improvements proposed by rapporteur Evelyne Gebhardt (thus taking a step backwards from the line adopted by the EP Committee on Employment and Social Affairs). The European trade union movement believes that the current text does not secure high-level quality of services and social progress in the EU.

The ETUC notes that IMCO made some important improvements to the existing draft, for example stating that the objective of the Directive is not to deal with labour law, collective agreements and industrial action, and giving precedence to the provisions of private international law and the Posting Directive. Also it accepted that some Services of General Interest (health, in particular) should be excluded from the scope of the Directive.

ETUC calls on the plenary of the EP to make some further changes in the Services Directive, in particular:

- Stronger and unambiguous language in the Directive, ensuring that it will in no way interfere with labour law, collective bargaining and industrial relations in Member States, and explicitly referring to the respect for fundamental rights in this regard, such as the right to take industrial action.
- The exercise of a service activity should be regulated by the law of the country where the service is provided or carried out. The ETUC maintains that necessary harmonisation upwards has first to be achieved before any *Country of origin principle* (CoOP) could be applied. Other solutions carry a risk of downward regulatory competition between Member States, which the ETUC cannot accept.
- The host country must be entitled to impose supervisory measures for all services provided on its territory. The amendments adopted by IMCO take a step in that direction, but cover only a few sectors. *Supervision* in the host country must cover all sectors. Member States need also to be able to impose *prior declarations*, notifications on foreign service providers and to oblige them to

have a representative in the host country. For all these reasons articles 24 and 25 should be deleted.

- Certain *sensitive sectors* such as temporary work agencies and private security services should be excluded from the directive, and be dealt with in separate EU instruments, to provide for minimum standards at EU level (such as the draft Temporary Agency Directive). The amendments adopted by IMCO will put the operations of those services, apart from employment contracts and labour law provisions, under the regulations of the country of origin.
- All *services of general interest*, economic or non-economic, need to be excluded from the scope of the directive.

For the ETUC, competition is not an aim in itself. It is only good if it improves the quality of life of European citizens. Therefore Member States should be able to maintain high protection for their workers, the consumers and the environment.

The ETUC will maintain its campaign to obtain the necessary changes to the Services Directive for the benefit of all European workers and citizens.

The ETUC asks all affiliated organisations to join in the demonstration to be organised in Strasbourg before the vote in EP plenary at the beginning of 2006. The ETUC again strongly warns politicians that, if the European project is to be supported by workers and citizens, Europe has to put a halt to blind deregulation and must do everything possible to achieve social progress.