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Committee on Employment and Social Affairs

2012/2144(INI)

20.6.2013

## OPINION

of the Committee on Employment and Social Affairs

for the Committee on the Internal Market and Consumer Protection

on the Internal Market for Services: State of Play and Next Steps (2012/2144(INI))

Rapporteur: David Casa

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## SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on the Internal Market and Consumer Protection, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- A. whereas the services sector accounts for more than 65 % of total GDP and employment in the EU, and a more integrated and better-functioning Single Market in services is crucial for economic recovery and the fight against unemployment;
- B. whereas the Services Directive facilitates matters for self-employed persons and small and medium-sized enterprises wishing to carry out and expand their business activities and to recruit staff in other Member States;
- C. whereas the services covered by the Services Directive account for 45 % of the EU's GDP and 43 % of employment in the Union;
- D. whereas the Single Market in services must develop fully whilst preserving the European social model;
- 1. Welcomes the Commission communication on the implementation of the Services Directive entitled 'A partnership for new growth in services 2012-2015', which responds to the reporting obligation as set out in Article 41 of the directive; reiterates the need to take account of the medium and long-term effects of the Services Directive on employment in the EU;
- 2. Recalls that the Services Directive must be interpreted in the light of the new treaty provisions, in particular Article 3 of the Treaty on European Union, the horizontal social clause in Article 9 of the Treaty on the Functioning of the European Union (TFEU), Article 14 TFEU, Protocol No 26 annexed to the Treaties, and the Charter of Fundamental Rights of the European Union;
- 3. Reiterates the need to take account of the medium- and long-term effects, as well as the impact, both quantitatively (job creation and destruction) and qualitatively (job quality, working conditions), of the Services Directive on employment in the EU;
- 4. Notes that all main stakeholders have to commit themselves to properly enforcing the full implementation of Single Market legislation, whilst also ensuring that its social dimension is taken into account; considers that the deepening of the internal market in services should be seen as an opportunity to strengthen social welfare, worker's rights and decent working conditions for all EU citizens, including implementation of the principle of equal pay for equal work as enshrined in Article 157 TFEU; also considers that provisions on social protection, health and safety at work cannot be viewed as constituting disproportionate restrictions;
- 5. Recommends proceeding to an ex post evaluation of the impact of liberalisation of services on employment and living and working conditions, and evaluating this impact in relation to the expected effects at the time of adoption of the directive;

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- 6. Recalls that the directive excludes a number of fields from its scope of application, including non-economic services of general interest, healthcare services and most social services; further notes that the directive does not apply to labour law, nor does it affect Member States' social security legislation;
- 7. Notes that over two decades the Single Market has proved to be a great success; believes, at the same time, that more efforts need to be concentrated on promoting economic prosperity, creating high-quality jobs, quality of services for the final consumers and the preservation of natural resources and the environment, as means of enabling the EU to overcome the current crisis;
- 8. Points out that a clear definition of the term 'worker' needs to be laid down at European level with a view to averting the growing phenomenon of circumvention of labour, social security, and health protection regulations, for example through bogus self-employment;
- 9. Expresses its support, with a view to boosting employment levels and job creation in the EU, for initiatives aimed at improving the crossborder provision of services whilst respecting labour and social regulations.
- 10. Stresses the need for the strong defence of safeguards for workers in process of changing employer; considers it important to ensure that a previous employer's workforce can be transferred automatically to the new employer without undermining workers' rights as enshrined in Chapter IV of the Charter of Fundamental Rights and Titles IX and X of the TFEU, with particular emphasis on to the role of trade unions and the 'balanced support' clause of TFEU Article 154;
- 11. Notes the new Commission communication entitled 'Single Market Act II Together for new growth', which aims to enhance the integration of the Single Market within the EU, stimulate growth and foster the creation of high-quality jobs, particularly for young people; welcomes the support offered by the communication to social entrepreneurship; calls for this initiative to be followed by others in support of SMEs as a whole;
- 12. Stresses the need to improve the rules on portability of pension schemes, in particular occupational pension schemes;
- 13. Stresses that in one key sector, namely that of the internet, communications and the creative economy, the internal market has yet to be completed; points out that the completion of the digital Single Market still has huge growth and employment potential;
- 14. Calls on the Member States, for the purposes of the crossborder delivery of services, to provide the necessary guidance on current labour, social security, and tax law to employers, workers, and other stakeholders; considers that such information must be accessible before, during, and after the mobility experience;
- 15. Notes the significance of Points of Single Contact (PSCs) in providing a single interface that explains all the necessary procedures for businesses, thus reducing administrative obstacles and encouraging business activities;

16. Recognises the need for developing a second generation of PSCs that are more userfriendly and facilitate the crossborder completion of procedures; stresses the importance of raising awareness of the existence of these PSCs and the benefits they provide.

Date adopted	20.6.2013
Result of final vote	$\begin{array}{cccc} +: & & 41 \\ -: & & 4 \\ 0: & & 0 \end{array}$
Members present for the final vote	Regina Bastos, Edit Bauer, Heinz K. Becker, Jean-Luc Bennahmias, Phil Bennion, Pervenche Berès, Philippe Boulland, Milan Cabrnoch, David Casa, Alejandro Cercas, Ole Christensen, Derek Roland Clark, Marije Cornelissen, Emer Costello, Frédéric Daerden, Karima Delli, Sari Essayah, Richard Falbr, Thomas Händel, Marian Harkin, Nadja Hirsch, Stephen Hughes, Danuta Jazłowiecka, Martin Kastler, Ádám Kósa, Jean Lambert, Verónica Lope Fontagné, Olle Ludvigsson, Thomas Mann, Elisabeth Morin-Chartier, Csaba Őry, Sylvana Rapti, Licia Ronzulli, Elisabeth Schroedter, Birgit Sippel, Joanna Katarzyna Skrzydlewska, Jutta Steinruck, Traian Ungureanu, Inês Cristina Zuber
Substitute(s) present for the final vote	Sergio Gutiérrez Prieto, Richard Howitt, Jelko Kacin, Ria Oomen- Ruijten, Birgit Sippel
Substitute(s) under Rule 187(2) present for the final vote	Jorgo Chatzimarkakis, Ricardo Cortés Lastra, Jürgen Klute

## **RESULT OF FINAL VOTE IN COMMITTEE**