Re: Services Ecard (Regulation + Directive) – vote in IMCO

Dear Member of the European Parliament,

I am writing to you in view of the IMCO vote on the proposed European services e-card, which we understand will take place on 21-22 March. The European Trade Union Confederation (‘the ETUC’) calls on you to reject the Commission’s proposals.

The European trade union movement has no intention of standing in the way of a smoothly and fairly run internal market. Open access, yes. Non-discrimination, yes. But the ETUC cannot tolerate a market that puts so much pressure on national regulations that national standards on social issues are at risk.

We fought and won this battle more than a decade ago. The country of origin principle has been dropped from the services Directive. We cannot afford to go through such a divisive debate again. Europe is not as strong as it used to be.

The proposed e-card seems attractive enough. A European services E-card would enable businesses to navigate through administrative formalities in one click or so. And we are told we can have our cake and eat it because, according to the Commission, the proposals do not interfere with control measures in the host Member State, nor with the rights of workers in particular in relation to the posting of workers Directives.
But the cake is poisonous. Because social standards vary so much in the EU, it is naïve to believe that a home Member State could guarantee the respect of the rules of another Member State. Yet, the e-card proposals foresee that the relevant information is collected by the home Member State but reviewed for accuracy by the host Member State within a very short time frame. The means of control of the host Member State would be considerably limited.

Proponents of the e-card underline its voluntary nature: a host Member State could theoretically reject an e-card application.

The ETUC does not believe this. If a public authority was to decline as a matter of principle every request from certain Member States, if not all, then what would be the added value of the e-card? In the Commission’s proposals, the pressure not to reject the application is considerable. Failure from a Member State to react within a short timeframe would lead the issuance of the card.

And of course we have the question of indefinite validity, or very long validity (24 months renewable without limit), as proposed by some Members of this House. Market is changing fast. How can one guarantee that the information provided on the first day continues to be accurate?

We understand that IMCO is in the middle of in depth discussions to try to improve the Commission’s proposals. The ETUC has once been invited to contribute to these discussions. But our lawyers have tried this exercise. To pull the teeth out of this monster, both the Directive and the Regulation would have to be completely rewritten, article by article, for an outcome that would be highly questionable in terms of clarity and added value. This is not good law-making. And is it worthwhile considering the very negative position of the Council?

The ETUC is extremely concerned about the timing of such destructive debate. European elections are approaching. Workers’ support for the market is eroding so Europe needs to prove that it can be good for them. The ETUC is eager to work with you to develop another approach to free movement, an approach based on better enforcement of social standards, and the improvement of working conditions.

Parallel discussions are taking place: the revision of the posting of workers Directive with a view to eradicate competition on low labour costs, proposal for a European Labour Law authority to better fight against cross-border social fraud, upcoming company law proposals to (hopefully) counteract letterbox type
practices, a social pillar to try to create more upwards social convergence ... These reforms and others must first become a reality to enable mutual trust between the Member States. Without mutual trust, proposals such as the Ecard are dangerous and remain completely illusory.

The ETUC wants to be part of this debate. We are working on our own proposals for a fairer, more secure, and ultimately better functioning single market.

The e-card is not the correct starting point for such discussions. We therefore call on you to reject these proposals.

Please do contact us to discuss this further. Feel free to contact Confederal Secretary Thiebaut Weber tweber@etuc.org Tel: 02 224 0571 or legal advisor Séverine Picard spicard@etuc.org Tel: 02 224 0409 who will be happy to answer any questions.

Yours sincerely,

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