

## ELECTRICITY

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|----------------------------|--|
| Workers' representatives   | European Mine, Chemical and Energy Workers' Federation (EMCEF) (1996)<br><br><a href="http://www.emcef.org">http://www.emcef.org</a> |
|                            | European Federation of Public Service Unions (EPSU) (1974)<br><br><a href="http://www.epsu.org">http://www.epsu.org</a>              |
| Employers' representatives | Union of the Electric Industry (EURELECTRIC) (1999)<br><br><a href="http://www.eurelectric.org">http://www.eurelectric.org</a>       |

### Sectoral Social Dialogue Committee (SSDC)

|                         |                  |
|-------------------------|------------------|
| Informal working group: | 1996             |
| SSDC:                   | 2000             |
| Internal Rules:         | 23 February 2000 |
| Work Programme:         | 2008-2009        |

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## GENERAL OVERVIEW OF SECTOR

**Originally, the European Community only took shape in the energy sector by virtue of the ECSC (European Coal and Steel Community) Treaty and the EAEC (European Atomic Energy Community) Treaty. In 1974, following the first oil shock, it proved necessary to establish an energy strategy so as to minimise the after-effects.**

The Community gradually began to lay down common energy objectives during the 1980s. In the early 1990s the energy sector entered a period of change characterised by Europe's growing energy dependence (48.2% of energy requirements were imported in 1996), by the need for environmental protection owing to the growth in consumption, and by the geopolitical transformations (collapse of the Soviet Union) affecting both the Community's supplies and the growth in consumption.

The [electricity sector](#) in Europe currently encompasses around 11,000 companies and accounts for 77% of total added value in the energy sector, the remainder deriving from the gas and hot water supply industries. [Electricity](#) represents 20.6% of end-use energy consumption in the EU. It is generated to the tune of 57.7% by traditional power stations, 18.4% by hydroelectricity and 17.6% by nuclear power stations.

In the late 1990s the European Union put in place a policy of [liberalising](#) and Europeanising the electricity and gas markets. This policy made provision for price liberalisation, the unbundling of electricity transport and distribution from generation and consumer supply, and freedom for companies and consumers alike to choose their supplier. A transnational infrastructure (trans-European networks) was furthermore established to facilitate international and interregional trade in electricity.

Liberalisation led in many Member States to the privatisation of companies in the sector. The energy market nevertheless remains more tightly regulated than other sectors. It is highly concentrated: although the number of companies has risen, the new entrants often hold only a minimal market share, and the sector has undergone a major wave of mergers and acquisitions over the past decade.

Market opening and liberalisation have resulted in a substantial decline in employment since the mid 1990s, but the decline now seems to have ended; the sector might even experience labour shortages among the most highly skilled employees, owing to an image which is insufficiently attractive to young graduates. According to Eurostat, the electricity sector still employed approximately 870,000 people in the mid 2000s. The [job losses](#) associated with market opening since 1995 are thought to represent a drop of approximately 25% in total employment in the "old" EU Member States.

EU energy policy must likewise take account of the Union's commitment to reducing greenhouse gas emissions (80% of which derive from the energy sector). One major challenge for the sector at present is combating climate disruption, through greater

use of renewables, energy efficiency, the development of electric vehicles, and so on.

## **PARTICIPANTS AND CHALLENGES**

**European social dialogue in the electricity sector was institutionalised by the setting up of a Sectoral Social Dialogue Committee (SSDC) in February 2000, a few years after the elaboration of a discussion paper on health and safety in the workplace and a study of gender equality, both carried out in the late 1990s.**

The employers are represented by EURELECTRIC, a body created in 1999 following a merger between two sectoral associations (UNIPEDE and EURELECTRIC), while trade union representation is the task of EMCEF (the European Mine, Chemical and Energy Workers' Federation) and the European Federation of Public Service Unions (EPSU).

Energy liberalisation and its social implications have been central to social dialogue ever since the founding of the SSDC. In 2000 the social partners drew up a joint opinion about an initial study carried out for the Commission on the likely social implications of liberalisation and the scale of job cuts. In 2007 they signed a declaration on the same topic, stressing in particular the need to devote careful attention to employment trends among subcontractors and in electricity-intensive industries.

The social partners have also addressed themselves to the changing skills required by employees as a result of transformations in the sector, and to continuing training: they have issued a study and declaration on lifelong learning (2002-2003) and a declaration on future skills needs in the sector (2004). More recently, in 2008, they produced a "toolkit" for socially responsible restructuring, based on a study of best practice.

Other noteworthy topics covered in the social dialogue are:

- a) ageing of the labour force and its effects in terms of employment and skills ("Toolkit on promoting age diversity and age management strategies", in 2008);
- b) equal opportunities and diversity (2003 recommendation, 2004 report and a toolkit/best practice guide in 2007);
- c) health and safety and training (2006 recommendation);
- d) corporate social responsibility (2004 declaration, 2007 report and another declaration in 2009).

In addition, the social partners have held a conference and issued a declaration on the social implications of restructuring in the central and eastern European countries (2002), as well as producing two joint opinions on the social aspects of establishing a European Energy Community in South East Europe (2004 and 2007). Finally, they have signed four documents aimed at implementing in the electricity sector some agreements reached by the cross-industry social partners (on telework in 2002, work-related stress in 2004 and 2007, and harassment and violence at work in 2007). They are currently looking into the social impact of EU environmental policies.

## OUTCOMES

**European social dialogue in the electricity sector is very varied. It has, since its inception, explored topics as diverse as working conditions, social aspects of Community policies, corporate social responsibility, restructuring, health and safety, and EU enlargement, among others.**

The European Social Observatory, in its typology, likens the electricity sector to other sectors – telecommunications, postal services and building – all of which are coping with “competition and interconnection within the national arena”. These sectors, which are only moderately affected by Community policies, are highly exposed to European legislative activity but have little exposure to international competition.

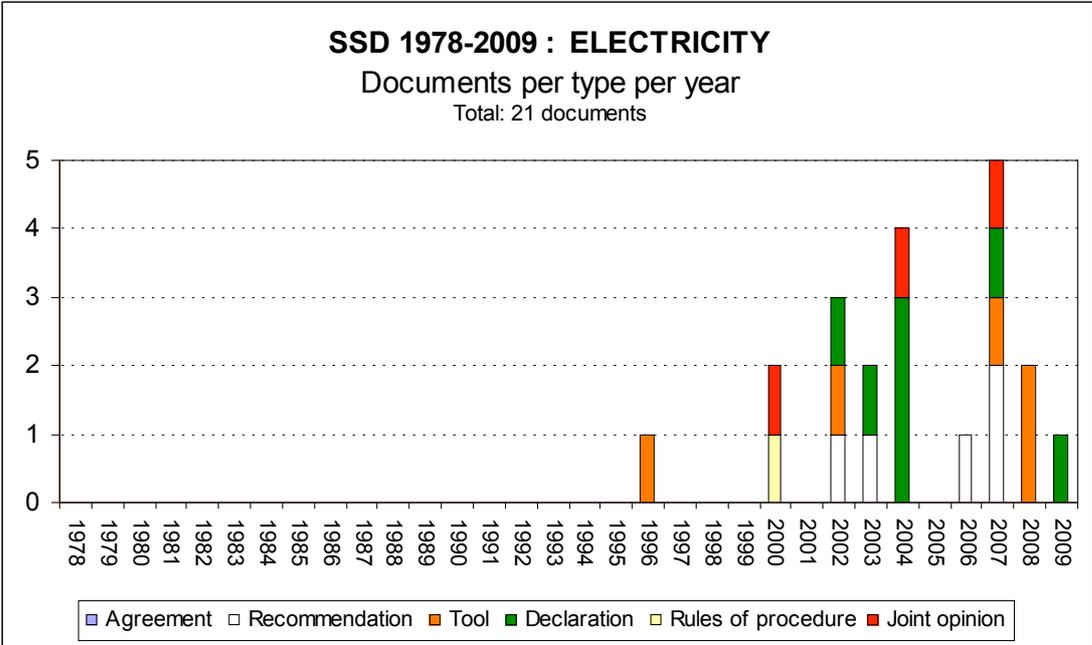
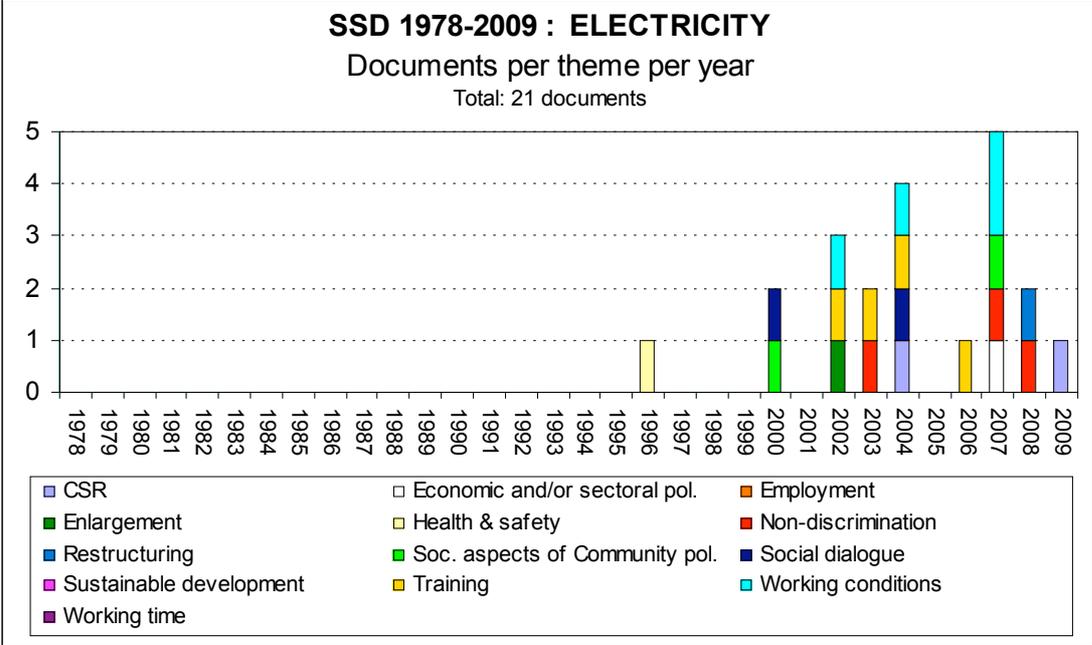
It is noticeable that the social partners in the electricity industry have issued relatively few joint opinions compared to other sectors with similar characteristics: the joint opposition to the direction of travel of Community policy-making (liberalisation) that is reflected in the signing of such opinions, most notably in the telecommunications and railways sectors during the 1990s, has not been apparent in the electricity sector, where the social partners have addressed themselves primarily to the social implications of liberalisation. Indeed, ever since the start of social dialogue the sector’s employers have always been in favour of the reforms introduced by the Commission.

Another noteworthy feature of social dialogue in the electricity sector is the production of a large number of toolkits incorporating best practice guides, intended for national social partner organisations, while at the same time ensuring that common policies and their social consequences are kept under review.

The negotiation of agreements is not currently part of the scope of the SSDC, which is therefore only indirectly involved in social regulation of the sector. However, the social partners have adopted a number of documents which reflect reciprocal commitments (declarations and recommendations) in respect of restructuring, telework, equal opportunities and discrimination, skills, lifelong learning, stress, violence at work, and so on.

# JOINT TEXTS

The “electricity” sectoral social dialogue has resulted, since 1996, in the adoption of 21 joint texts.



| Date       | Title  | Theme                                | Type           | Addressee                   |
|------------|--|--------------------------------------|----------------|-----------------------------|
| 22/06/2009 | EURELECTRIC / EPSU / EMCEF Joint Position on the Social Aspects of Corporate Social Responsibility in the European Electricity Industry                  | Corporate social responsibility      | Declaration    | European social partners    |
| 15/12/2008 | Demographic Change in the Electricity Industry in Europe. Toolkit on promoting age diversity and age management strategies                               | Non-discrimination                   | Tool           | National organisations      |
| 15/12/2008 | Restructuring in the Electricity Industry: A Toolkit for Socially Responsible Restructuring with a Best Practice Guide                                   | Restructuring                        | Tool           | National organisations      |
| 07/12/2007 | Joint Declaration on Employment Effects of the Opening of Electricity & Gas Markets (Ecotec Study) - Conclusions of the Social Partners                  | Social aspects of Community policies | Declaration    | European social partners    |
| 07/12/2007 | Joint Statement on the Social Aspects of the European Energy Community (South East Europe) and the Implementation of the Memorandum of Understanding     | Economic and/or sectoral policies    | Joint opinion  | National public authorities |
| 27/11/2007 | Joint Declaration on Stress  | Working conditions                   | Recommendation | National organisations      |
| 27/11/2007 | Joint Declaration on Harassment and Violence at Work   | Working conditions                   | Recommendation | National organisations      |
| 01/03/2007 | Equal opportunities and diversity toolkit / best practices guide   | Non-discrimination                   | Tool           | National organisations      |
| 13/12/2006 | Health & Safety and Training Policy statement EURELECTRIC - EPSU - EMCEF   | Training                             | Recommendation | National organisations      |
| 15/12/2004 | South East European energy community - the European electricity sector needs an extended social dialogue - joint statement of Eurelectric and EPSU/EMCEF | Social dialogue                      | Joint opinion  | European institutions       |
| 15/12/2004 | Joint declaration on work-related stress   | Working conditions                   | Declaration    | National organisations      |
| 01/12/2004 | Corporate Social Responsibility and the European Electricity Sector  | Corporate social responsibility      | Declaration    | European social partners    |
| 22/06/2004 | Joint statement on the future skills needs in the European electricity sector  | Training                             | Declaration    | National organisations      |
| 12/06/2003 | Joint statement of EURELECTRIC, EMCEF and EPSU and final report on the study on life-long learning in the electricity sector                             | Training                             | Declaration    | European social partners    |
| 01/06/2003 | Joint declaration of the Union of the electricity industry- EURELECTRIC and EPSU/EMCEF on equal opportunities/ diversity                                 | Non-discrimination                   | Recommendation | National organisations      |

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| 20/12/2002 | Lifelong Learning in the Electricity Sector. A Report for EMCEF - EPSU - EURELECTRIC   | Training                             | Tool               | National organisations   |
| 13/11/2002 | Joint Declaration on Telework  | Working conditions                   | Recommendation     | National organisations   |
| 20/09/2002 | Joint Statement on the Conference on Social Implications of the Electricity Sector Restructuring in the Candidate Countries, 19-20 September 2002, Budapest    | Enlargement                          | Declaration        | National organisations   |
| 07/11/2000 | Joint Declaration of EURELECTRIC, EMCEF and EPSU on the ECOTEC Study for the European Commission on the social implications of the Internal Electricity Market | Social aspects of Community policies | Joint opinion      | European institutions    |
| 23/02/2000 | Rules of Procedure of Dialogue Committee in the Sector of Electricity  | Social dialogue                      | Rules of procedure | European social partners |
| 05/12/1996 | EURELECTRIC-FSESP Working document: Health & safety and training   | Health and safety                    | Tool               | National organisations   |