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Mapping the Public Services:
Fact sheet

Following a question from Nicolaos Vakalis (former MEP) to Commissioner Spidla on Public Services in Europe, CEEP started this project co-funded by the European Commission to collect data on Public Services in Europe and to improve the knowledge of industrial relations in the field of Public Services.

Services of General Interest (SGIs) are services that are entrusted by a public authority to a service provider by virtue of general interest criteria. These services can either be of economic or non-economic nature. Their missions can include public service obligations or universal service obligations.

Services of general Interest: an essential actor of the economy

Providers of services of general interest are a key element of the European economy both directly and indirectly. Directly, they contribute to more than 26%[1] of the EU27 GDP. Indirectly they create employment in other sectors.

The employment dimension of SGIs in the EU is even more impressive with 30% of the workforce being employed by providers of SGIs. This corresponds to more than 64 million employees.

- **> 26 % of the EU GDP (2 412 billion €)**
- **Employ 64 million people**
- **> 6.4 % of the total EU investment**
- **> 500 000 enterprises serve 500 million Europeans**

The main infrastructure networks (Electricity, Gas, Post, Telecommunications, Public Transport, Railway, Water management, etc.) invest important sums of money into the economy. Their share in the total investment in Europe is about 6.4%, representing more than 153 billion € for 2006.

All in all, more than 500 000 providers (public, private, with mixed capital, operating at local regional, national or sometimes at European level) deliver essential services for about 500 million Europeans.

[1] The latest information is for 2006 due to the availability of data from Eurostat, National Statistical Institutes and other statistical institutions used in this project.

In terms of **employment** the main sectors are:

- Health and social work (33% of all SGIs – 20.5 million employees);
- Public administration and defence (24% of all SGIs – 15.4 million employees);
- Education (23% of all SGIs – 15 million employees);
- Public transport, Railway, Postal sector, Telecommunications (9.6% of all SGIs – 5.9 million employees);

In future, similar studies need to analyse the evolution over the years of these key indicators.

Services of General Interest: an essential service to the economy

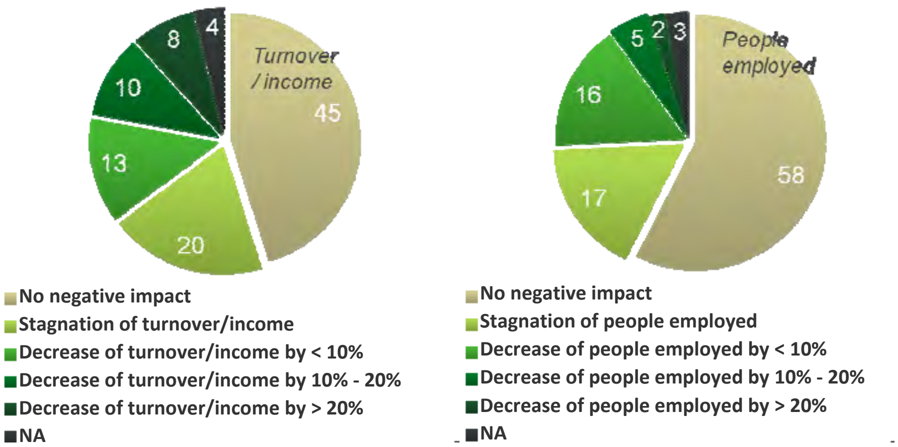
In addition to the statistical research, Gallup Europe carried out an exploratory survey[2] in 5 Member States surveying 241 organisations (fieldwork conducted in January – February 2010). This survey gives general indications in terms of employment, investment policies, managing change, both generally and in the light of the crisis. It adds essential information to the statistical research.

Public service providers keep employment high even in times of crisis

Two-thirds of responding SGIs (65%) had seen no decrease in their turnover/income despite the financial crisis: 45% said they had felt no negative impact at all and 20% stated their turnover/income had stagnated. Less than one respondent in five (18%) had seen a decrease in their turnover/income of at least 10%.

An even higher proportion of participating SGIs, namely 75%, said they had seen no decrease in their staff numbers despite the financial crisis. Nearly 6 in 10 respondents stated they had felt no negative impact at all. Less than 1 respondent in 10 mentioned a staff decrease of at least 10%.

Impact of the crisis on the turnover/Income and number of employees



Q20. Has the current crisis had a negative impact on the turnover/income of your organisation/enterprise? Q21. Has the current crisis had a negative impact on the people employed in your organisation/enterprise? Data is un-weighted. Result in %

Fairly large country differences were noticeable on this issue; the results in Bulgaria and France were poles apart regarding the impact of the crisis on the number of people employed.

These figures indicate that SGI providers act as a stabiliser in times of economic crisis.

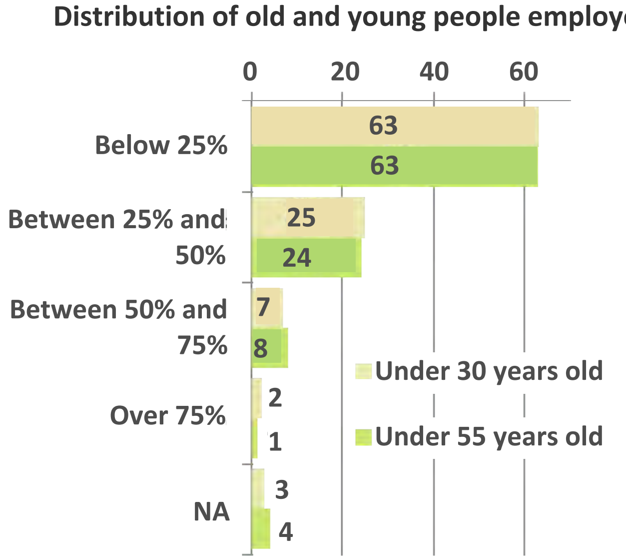
[2] "Mapping of the Public Services: Exploratory survey in 5 EU Member States", Gallup, March 2010. The report on the methodology is available on www.ceep.eu

Employment: Public service employers contribute to more equality

Over two-thirds of responding SGIs (69%) said that they employed at least as many women as men. The figures are highest in the education sector (78%) and in health and social sectors (86%).

According to the outcomes of the survey, **over two-thirds of responding SGIs** (69%) said that they **employed at least as many women as men**. **Nearly a third of organisations (31%) said that they employed over 75% of women.**

The proportions of older and younger staff members were equally distributed among responding SGIs. A quarter of respondents declared that people both less than 30 years old and above 55 years represented respectively between 25% and 50% of their workforce.



Q10. What was the proportion of the people below 30 years of age employed in your organisation/enterprise in the last financial year available? Q11. What was the proportion of people above 55 employed in your organisation/enterprise in the last financial year available? Data is un-weighted. Results in %

SGIs or Public Services contribute to a more equal society and work life, both in gender and in generational terms.

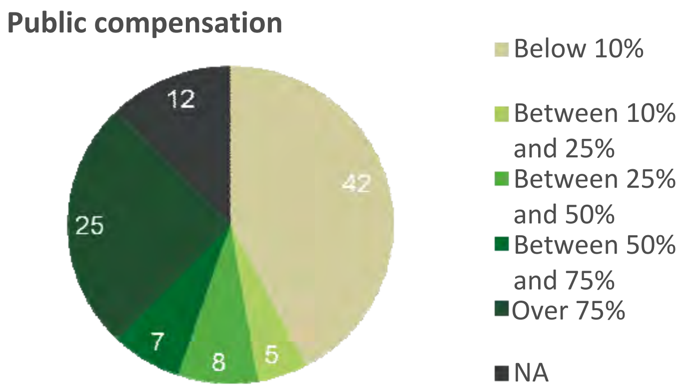
Sustainability: Public service employers care

Two-thirds of the responding large SGIs (67%) had staff dedicated to work on sustainability issues (e.g. on social and environmental aspects). Important figures were particularly noticeable for providers whose core activities are at national, cross-border/international level, showing the growing significance of these issues on a global scale.

Public service employers care for sustainability – many of them have sustainability as business model.

Public compensation: efficiency remains an issue

42% of the respondents mentioned that they received up to 10% in public compensation for the provision of SGIs. Nearly half of the interviewed SGIs (45%) said that they received more than 10% in public compensation for the provision of SGIs.



Q6. What is the proportion of public compensation e.g. subsidies, tax, benefits, state aid, in relation to your turnover/income for the provision of SGIs? Data is un-weighted. Results in %

The data also suggest that the higher the level to which the respondents conducted their core SGI activity, the less public compensation they received for the provision of SGIs. More than half of all respondents 52% said that they received less than 10% in public compensation when 35% of the respondents active at municipal level declared the same.

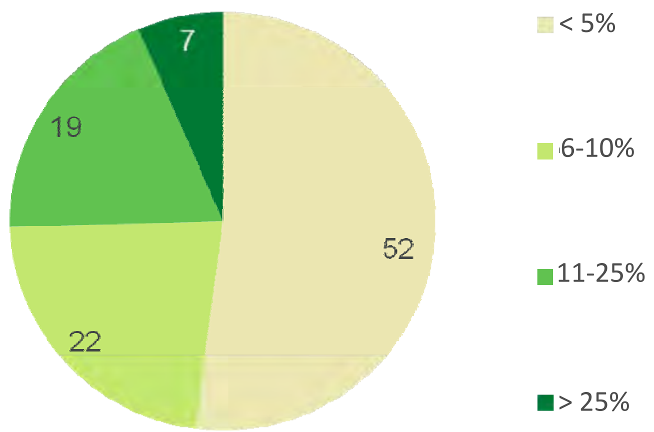
Public services are key investors

As observed previously, SGI providers are key investors in the economy. The infrastructure networks (Water management, Electricity, Postal sector, Telecommunication, Public transport and railway) contribute for 6.4% to the total **investment** with **more than 153 billion € in 2006**.

Large disparities exist between Member States. All 10 countries of Central and Eastern Europe are above the average, with rates exceeding 20% in Romania, Bulgaria and Slovakia. This shows the constant need and importance to renew the essential infrastructure.

To come back to the survey managed by Gallup, small SGIs seem more likely to reinvest over 10% of their turnover/ income: a third of them (32%) said they did so when a quarter (25%) of mid-sized SGIs declared the same.

Share of investment in relation to turnover/income



Q13.What proportion of your turnover/income does your overall annual investment expenditure (R&D. infrastructure, equipment, etc.) represent globally if you take an average over the last 5 years? Data is un-weighted. Results in %. Base: Those who gave a percentage (excluding 24% of respondents who gave no answer and 6% of respondents who gave a total amount)

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Source: www.ceep.eu

The European Centre of Employers and Enterprises providing Public services (CEEP) gathers enterprises and organisations from across Europe, both public and private, at national, regional and local level, which are public employers or providers of services of general interest and is one of the three European cross-sectoral Social Partners.

CEEP represents more than 500 000 enterprises employing more than 64 million people and contributing directly to more than 26% of the EU GDP.

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