Competition Policy. 24th report 1994

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The ESC felt that there was a need for more coherence between competition policy and other EU policies, especially the policies on trade and industry, employment, social cohesion, competitiveness, inflation and consumer protection. Special competition rules should be drawn up for market cooperatives and non-profit organisations operating in sectors far removed from business interests. Agreements: sanctions against cartels should be commensurate with the various intervention levels of each participant. Mergers and concentrations: the ESC urged the Commission, in light of the efforts and experience already gained with the task force, to take an increasingly global view in assessing the markets and to keep a careful eye on the unfair practices deployed by third country firms in some strategic sectors. State aid: the ESC considered that the general policy should be to obtain a gradual reduction in direct and indirect State aid in individual Member States, and at the same time increase Community funds for reducing social and geographical imbalances. Liberalisation of the public sector: the White Paper drawn up by Mr DELORS advocated the opening-up of all sectors to competition. The introduction of competition was impeded by entrenched rules and regulations in the Member States that allowed monopolies for certain services traditionally the preserve of the public sector. These rules reflected differing values, habits, and legislative and social practices or, in some cases, the efficiency of public monopolies. The ESC called on the Commission to make a study of the impact competition had had in areas where it had been introduced. The subsidiarity principle: the ESC highlighted the Commission's intention to leave responsibility for part of the implementation of competition law to the national authorities. The ESC's Opinion on the XXIIIrd Report mentioned the need for Member States to 'act more effectively'. The ESC would consider this matter in more detail when the Commission issued its communication on the subject. Globalisation and competition policy: in the ambit of the WTO, it was essential to adopt a minimum number of rules on workers' and trade union rights as laid down in ILO Conventions; the intention would not be protectionist, but rather would be to further civil progress at world level, as advocated in the final document of the UN Conference in Copenhagen, and to safeguard the EU's social system. It was in fact clear from these international documents that the violation of minimum workers' rights represented an actual distortion of rules of competition between companies. Consultation procedures: in consultations on competition policy, the Commission should seek a dialogue with European trade unions and other interested EU socio-economic organisations, as well as with BEUC and UNICE, which had requested it. Other factors that distort competition: the ESC considered that the Commission should be particularly attentive to at least two such disruptive factors: a) the destabilisation of interest rates and exchange rates caused by speculation on the money markets; b) competition policy could not turn a blind eye to the possibility of social dumping between weak and strong areas in the absence of minimum labour legislation.