

# EU freedom of movement

Freedom of movement is a fundamental right in the EU. But the UK and some other countries are concerned about the existing rules, as Bulgaria and Romania will get full access to the EU labour market in January.



EU officials believe that free movement of workers must not lead to mass migration

It is a core principle, enshrined in the EU treaties, which works in parallel with the other three basic freedoms in the single market: freedom of goods, capital and services. The European Commission says it is the right most closely associated with EU citizenship. An EU survey suggests it is seen as the EU's most positive achievement, ahead of peace in Europe, the Euro and student exchanges. More than 14 million EU citizens are residents in another member state — 2.8 percent of the

total EU population.

Before the EU's big eastward expansion in 2004, citizens of the former communist bloc countries had less freedom to travel than western Europeans. That was a legacy of the Cold War. Freedom of movement helps to fill job vacancies in many EU countries and gives employers a wider talent pool, the Commission argues. Germany, resilient in the Euro crisis, is proving a magnet for job-seekers from recession-hit countries like Spain, Italy and Greece.

The UK government champions the single market and wants barriers to trade in the services sector removed, as services account for about 75 percent of total EU gross domestic product (GDP) and most of the jobs in Europe. Free movement of labour is fundamental to a functioning single market, and is seen as one of the great strengths of the US economy.

But UK Home Secretary Theresa May says free movement of workers must not lead to mass migration, and she wants changes to the rules at EU

level. The UK wants the power to cap the numbers of EU migrants. One way would be to require new member states to reach a certain level of income or economic output per head before their citizens can have full rights to free movement.

Freedom of movement is likely to be a big part of the debate in the May 2014 European elections — and UKIP, hostile to the EU, is expected to poll strongly. Europe's budget austerity has made the issue more acute, especially as youth unemployment is widespread. Most EU countries imposed temporary labour market restrictions on workers from the eight East European states which joined in 2004, but the UK, Republic of Ireland and Sweden did not. The UK saw an unexpected surge in migrants from those states — the majority from Poland. Net migration from those states to the UK reached nearly 400,000 in 2004-2011, and a UK census in 2011 suggested about 1.1 million residents were born in those countries. The concentration of migrants in certain areas has put extra pressure on services such as schools and hospitals.

Thousands of Bulgarians and Romanians have found work in other EU countries already, under various work permit schemes. They are employed seasonally, for example, on UK farms.

For years the Netherlands has vetoed the bids of Bulgaria and Romania to join the EU's Schengen passport-free zone. Most EU countries — but not the UK, Ireland and Cyprus — are in Schengen, where border checks are non-existent or minimal.

## South Africans pay tribute to Mandela as a symbol of peace

**South Africans may have begun an official period of mourning for the former president Nelson Mandela who died last Thursday, but for many it is more a celebration of his life**

Dancing and singing by ordinary South Africans, — black and white — has continued since President Jacob Zuma announced the passing of the much revered statesman. Over the next seven days a series of events will commemorate the man who is held up as a symbol of freedom and forgiveness.

During the more than quarter-century that Mandela was jailed, his freedom became synonymous with his country's freedom.

From the 1960s, when he was a political prisoner under South Africa's apartheid system, to recent years, when he became one of the world's most admired people — Nelson Mandela inspired artists, musicians, poets and many more, all keen to meet this living icon.

"Mandela was also a symbol for the rest of the African continent. For example in DR Congo, my country, when there was war



with Kabila, Mandela went over to negotiate. He wanted peace for all African countries," said one woman who had joined hundreds of others outside the former home of the leader. According to one mourner, Mandela was South Africa's saviour, "We are here to honour an amazing man who I believe saved South Africa from total annihilation," he said. "The legacy that he left is going to live forever," added another.

Mandela's home in Johannesburg has become a focus for those wishing to thank him for steering their country out of white-minority rule into a democratic nation.

World leaders, global figures and celebrities will join 95,000 ordinary South Africans at the memorial service at FNB stadium in Soweto, where Nelson Mandela made his final major public appearance during the 2010 Football World Cup. The government said 59 leaders had so far confirmed they would be attending: an indication of the special place Mr. Mandela held in people's hearts across the world, officials say. Leading celebrities in the anti-apartheid movement Peter Gabriel and Bono are also expected to attend as are former international leaders such as Martti Ahtisaari who, along with Mr. Mandela, were part of a group known as The Elders, promoting peace and human rights.

## Portugal's CTT shares jump on market debut

**Shares in Portugal's postal service CTT rose on the Lisbon stock exchange as they went on sale for the first time**

Privatising it was part of the bailout deal with the European Union and International Monetary Fund. By selling 70 percent of the mail service, the Portuguese state benefits to the tune of 580 million Euros. There was strong demand for the shares despite declining postage volumes and CTT's dependency on the Portuguese market.

Analysts said investors were keen because they saw potential earnings from the creation of a postal bank. Financial services currently make up eight percent, or 58 million Euros, of CTT's sales and last month the Bank of Portugal authorised it to set up a banking arm if future shareholders opt to do so. The shares were also popular because they come with a dividend.

## Record-breaking gas ship launched, bigger one planned



Shell's massive Prelude hull afloat for the first time

**A floating vessel that is longer than the Empire State Building is high has taken to the water for the first time**

The hull of Shell's Prelude was floated in South Korea. When fully built, Prelude will be the largest floating facility ever created, weighing more than 600,000 tonnes. It would be used to help in the production of natural gas from 2017, Shell said, and would operate for

25 years off Australia's north-west coast.

The area has a yearly cyclone season from November to April, but Prelude has been designed to withstand such conditions. It is hoped the facility will be able to produce enough gas to power a city the size of Hong Kong. Despite appearances, Prelude cannot strictly be described as a ship as it needs to be towed to its destination rather than

travelling under its own power.

With a bow and stern half a kilometre apart, four football pitches would fit on Prelude's deck were it not for a clutter of kit towering up to 93 metres high that will draw gas from under the sea bed for dispatch to Asia by the boatload.

Now, as the partly-built structure floats out of dry dock for the first time, developer Royal Dutch Shell wants to consolidate its advantage as the first mover in Floating Liquefied Natural Gas (FLNG) — an as-yet untried technology for which Prelude will be the flagship.

The oil company's technicians are designing something even larger and tougher than Prelude, a vessel that will need to last 25 years moored in the Indian Ocean's 'cyclone alley' off Australia's north-west coast, producing enough gas to supply a city the size of Hong Kong. Prelude, which analysts says may cost over \$12 billion (7 billion pounds) to build and which is due to be producing by 2017, is a potential game changer for the oil and gas industry.