

# INFORMATION

S O C I A L P O L I C Y

FULL AND BETTER EMPLOYMENT

51/73 B

The EEC Commission has approved (24 Oct. 1973) and sent to the Council of Ministers a Social Action Programme, as requested by the Paris Summit Conference in October 1972. One of the three priority themes of this Programme is the creation and maintenance of full and better employment.

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## A. INTRODUCTION

The Paris Summit Conference of the Heads of State or Government, held in October 1972, decided to adopt a comprehensive Social Action Programme by 1st Jan. 1973. The leaders of the Nine "emphasised that they attached as much importance to vigorous action in the social field as to the achievement of economic and monetary union". They added that "economic expansion is not an end in itself. Its firm aim should be to enable disparities in living conditions to be reduced... It should result in an improvement of the quality of life as well as in standards of living.

The EEC Commission, after extensive consultations with the member states, the European Parliament, the Economic and Social Committee, trade union, employers and others interested parties, has submitted to the Council of Ministers, for action by the end of 1973, proposals for a Social Action Programme.

The Commission's proposals consist of some 40 different actions, to be undertaken in 1974-76, aiming at :

- Full and better employment
- Improving living and working conditions
- Giving trade unions and employers a greater say in the social and economic decision-making processes within the Community.

## B. THE COMMISSION'S POLICY ON EMPLOYMENT

The Commission believes that full employment should be the fundamental objective of economic, financial, regional and social policy, at both Community and national levels.

The Community should aim at creating enough jobs for the present and future working population of the Community so that no worker is forced by the absence of opportunities at home to migrate in search of work. In its proposals for regional policy the Commission proposes that Community financing should be available to assist the creation of new jobs in underdeveloped and declining regions.

But more than job creation is required to bring about a situation of full employment in the Community. The pace of change in the employment market is likely to accelerate in the future, due among other factors to the development of European integration, international trade negotiations (e.g., the Nixon Round), reform of the international monetary system, rapid technological development, changes in consumer demand, mergers, the proliferation of multinational companies, regional development and the improved quality of life and environment. These and other factors will cause some jobs to disappear while new skills are demanded. Without an active employment policy there is a danger that the structural imbalances which exist at present will become more serious.

This calls for a more imaginative approach to the concept of full employment. In particular, the need for training and re-training workers will become more important and urgent. The aim here will be not merely to protect workers against the insecurity which these changes could lead to, but to enable them to profit as far as possible from the opportunities open to them.

Training for change is not only socially justified, it is also essential economically. It is needed to ensure that Community industry can adapt to a rapidly changing technological and market situation and exploit the opportunities created by change.

Moreover the provision of a trained labour force is essential for the successful development of the regions.

The Community's social policy should ensure access to the employment best suited to individual capacities and to the collective well-being. A more dynamic Community policy on vocational guidance, occupational training, retraining and rehabilitation is therefore of great importance.

### C. THE COMMISSION'S PROPOSALS

The main instrument available to the Commission for an active labour market policy is the Social Fund (1). Expansion of the Social Fund is an essential pre-condition of the Social Action Programme. (The proposed budget of the Social Fund for 1974 is 327 million Units of Account (=pre-1971 US dollar), compared to 282 million U.C. in 1973). While the Regional Fund will have the possibility to part-finance capital schemes and assist the creation of employment opportunities, the Social Fund has the task of ensuring that the available labour force in regional development areas is adequately qualified.

In addition to its specific contribution in this field and to its role in promoting readaptation schemes, the Social Fund will be increasingly involved in helping solve the problems of specific categories of workers, in particular migrant workers and handicapped people. Special consideration will also be given to the problems encountered by elderly workers, unemployed school leavers and women seeking to take up employment after an interval. (See below).

The Commission envisages a number of new initiatives to bring out the importance of vocational training. The Commission proposes to set up a European Centre for Vocational Training with the task of improving the exchange of information, promoting research and co-ordinating training standards and qualifications.

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(1) See "Information note 16/72

Apart from improving the structure and methods of vocational training, and informing people about the training opportunities available to them, it is also necessary to ensure that workers are not prevented from taking up retraining through the fear of a loss in earnings that a period of retraining can entail. The Commission believes that people should not have to suffer a loss of income in such circumstances. That is why the Commission attaches so much importance to the introduction of general training incentives involving income guarantees.

For improving the situation of women at work, better vocational guidance at an early age and more retraining facilities later on represent an indispensable but only partial solution. It will be necessary also to organise at the European level an intensive information campaign and to encourage initiatives in all related fields aimed at gradually achieving equality between men and women on the Community labour market and enabling women to reconcile family responsibilities with job aspirations.

The Community has a special responsibility towards the migrant workers, who now exceed 6 million (10 million or more if one includes their dependents).

The existing instruments of Community social policy are inadequate to deal with the immense issue of migration. Industrial, regional and external investment policies must be used to deal with the fundamental causes of the imbalance between rich and poor countries and regions. But the Community must tackle urgently the immediate social problems encountered by migrant workers and their families. As a first step the Commission is making immediate proposals to the Council for the use of the Social Fund to alleviate the problems of migrant workers.

A programme of action to improve the social and living conditions of the migrant population is a major priority. It is also essential that the Member States coordinate their policies as regards the movement of migrant workers from non-member countries to and from the Community. Equal treatment, equal rights and equal opportunities for migrant workers must not merely be seen as objectives but must be realised as a practical reality in a Community of social progress.

The handicapped constitute a group which deserves immediate consideration by the Community. In addition to those handicapped from birth, a growing proportion of the working population suffer injuries and are often unable to lead an independent existence and earn their own living. Their physical or mental disabilities make them vulnerable not only to severe psychological pressures of adjustment but also to a serious reduction in earning capacity and job opportunities.

As a first step, the Commission is making immediate proposals to the Council for an action programme for handicapped workers in the open labour market which will be closely linked to the proposed use of the Social Fund for handicapped workers. In the longer term, there will also be a wide programme of specific actions to improve the chances of social integration of all handicapped people.

Other proposals by the Commission include the regulation of the activities of private employment services, limiting as much as possible the incidence of temporary work. The Commission has already submitted proposals to the Council on the clarification of the application of labour law and will take further initiatives towards intensifying cooperation between the national employment services, and improving employment forecasting and especially current and prospective analysis of trends relating to labour qualifications. Continuing efforts must be made to provide comparable statistical tools without which policy

planning at the European level is impossible. The system of young worker exchanges will be extended to provide greater opportunities for young people to develop wider horizons and more varied professional experience.

D. CONCLUSION

Such are the Commission's proposals. It is now up to Council of Ministers to take action on them. If it is to respect the deadline laid down by the Paris Summit, it must do so before 1st. Jan. 1974.

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