

# INFORMATION

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

SOCIAL ACTION PROGRAMME

51/73

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The EEC Commission has approved and sent to the Council of Ministers a Social Action Programme, as requested by the Paris Summit Conference in October 1972. The present note describes the main lines of this major new programme and the background against which it should be seen.

## CONTENTS

- A. Economic growth and social progress
- B. The evolution of Community social thinking
- C. The Social Action Programme
- D. The Commission's proposals
- E. What the Commission is not proposing
- F. Is Community action necessary ?
- G. Putting the Programme into perspective
- H. Prospects for the future

## Appendix

Summary List of the Commission's proposals

N.B. Other notes in this series deal with specific aspects of the Social Action Programme, viz:

- Seven immediate steps towards a European Social Policy (No. 51/73 A)
- Full and better employment (No. 51/73 B)
- Improving living and working conditions (No. 51/73 C)
- Participation and Industrial Democracy (No. 51/73 D)

A. ECONOMIC GROWTH AND SOCIAL PROGRESS

Since it was set up in 1958 the European Community has achieved a sustained rate of economic growth unparalleled in the history of Europe. That growth has literally transformed the life and the face of the six original member states. For the great majority of the people of the Community, it has brought higher living standards, better opportunities, wider horizons.

But greater prosperity has not solved the social problems of the Community. In some cases it has in fact worsened them. Certain regions and groups have not shared fully in the general advance and some even find themselves falling behind. The distribution of income, wealth and power across the Community, and within industry itself, continues to cause problems, sometimes severe ones. In some sectors the infrastructure has failed to keep pace with demands on it.

And then there are the problems caused by growth itself - industrial pollution, a deteriorating environment, in some cases a conflict of values between industry and society, disruptions to the pattern of life, and a growing dependence on foreign workers whom society treats as second-class citizens while it continues to need their services to maintain its standards of living.

Leaders at both the European and national levels have realised that unless they can solve these problems of inequalities and of the unacceptable byproducts of growth, the social pressures and resistance they will generate would make the continuation of the Community's recent rate of economic growth politically unacceptable to the peoples of Europe.

## B. EVOLUTION IN COMMUNITY SOCIAL THINKING

The Paris Summit Conference of the Heads of States or Government of the Nine, in October 1972, marks a major evolution in the Community's thinking on social policy. In the first place, the Summit leaders declared unambiguously that "economic expansion is not an end in itself. Its firm aim should be to enable disparities in living conditions to be reduced". Compared with the strict free-competition market-economy thinking that marked the Rome Treaty of 1958 this Paris declaration marks a very important evolution.

The Summit also committed the member states of the Community clearly and inescapably to carrying out an active programme of social reform at the Community level : "The Heads of State or Government emphasise that they attach as much importance to vigorous action in the social field as to the achievement of economic and monetary union".

Finally, the Nine set themselves the deadline of 1st Jan. 1974 for the adoption of a comprehensive social action programme, and asked the EEC Commission to draw up a draft plan of action.

## C. THE SOCIAL ACTION PROGRAMME

As a first step towards implementing the Summit Conference's mandate, the Commission published in April 1973 its "Guidelines for a social action programme. It then discussed extensively this working document with national governments, the European Parliament, the Economic and Social Committee, trade unions and employers. In the light of these consultations the Commission has drawn up a comprehensive social action programme. This was adopted on 24 October and submitted to the Council of Ministers.

If the Council of Ministers is to respect the deadline laid down by the Paris Summit Conference, it must take action on the Commission's proposals by the end of 1973.

#### D. THE COMMISSION'S PROPOSALS

The Social Action Programme proposed by the Commission consists of some 40 different actions aimed at achieving three fundamental objectives :

1. Full and better employment;
2. Improving living and working conditions;
3. A more active role for trade unions and employers in the decision-making processes of the Community.

Some of these 40 proposals are already before the Council of Ministers. Seven others, of particular political significance, will be submitted to the Council for action before the end of the year. The others are planned for the period 1974-76.

The Commission's proposals are all based on the belief that the purpose of economic growth should be to widen the choice of social options available to the peoples of the Community by bringing about a continuing rise in living standards and the quality of life. Economic growth and an active programme of social reform need not be antithetic.

The complete list of the Commission's proposals, in order of priority, is appended to this note.

#### E. WHAT THE COMMISSION IS NOT PROPOSING

Before going any further it would be useful, to avoid misunderstanding, to say too what the Commission is not proposing.

First of all, it is not the Commission's aim to centralise the solutions to all the social problems of the Community. The Commission has no wish to see introduced a single social policy tackling all social problems in the Community in a uniform manner.

Nor does the Commission propose the transfer to Community level of responsibilities and functions carried out more appropriately at other levels.

Neither are the proposals in this Action Programme intended as a substitute for national policies. Rather, each action is envisaged, and will need to be examined, in the context of what individual member States are doing and can be expected to do within the limits of their resources.

Nor does this Action Programme seek to mitigate the responsibilities of member States within the social field.

#### F. IS COMMUNITY ACTION NECESSARY ?

A Community social action programme is needed for the simple reason that there are problems in the social field which are common to all the nine member States and which could best be dealt with on a Community basis rather than in isolation. The number of these problems will grow with the increasing integration of the economies of the member States, particularly as progress is made towards economic and monetary union.

Monetary integration imposes constraints on national economic policies which are particularly likely to affect employment and, in some cases, inflation rates. All the member States accept that this process demands a more active Community social policy if the well-being

of all the peoples of the Community is to be maintained.

Furthermore, without Community solidarity, the less-favoured member States and regions will find it increasingly difficult to solve their problems.

And serious disparities in the rate of social progress and social standards between member States could distort competition and thus retard the development of full economic union.

It is, therefore, clear that close and continuous collaboration between national administrations and Community institutions is going to be increasingly necessary in the months and years ahead.

#### G. PUTTING THE PROGRAMME INTO PERSPECTIVE

This Social Action Programme does not represent the first writing on a "tabula rasa". Many of the actions now in progress or elaborated in this document owe their origin to the Commission's paper "Preliminary Guidelines for a Social Policy Programme in the Community" published in February 1971.

The same is true of the financial instruments of social policy, in particular the Social Fund (1). The Budget of the Social Fund has been quadrupled in the last two years (the proposed budget for 1974 is 327 million Units of Account), and its terms of reference were deliberately widened in 1972 to enable it to act as a more positive instrument for social reform. It will continue to be the main operational instrument in social policy and its resources must, therefore, be increased to be commensurate with the Summit's aims.

The Commission is only too aware that a single Social Action Programme covering a limited time-span cannot hope to resolve all the social problems of modern society.

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(1) see Information Note 16/72

This Programme must be seen therefore as part of a comprehensive and continuing attack on social problems and abuses, to enable the Community to develop as a model of social progress. It is important to note that responsibilities for action in this field rest not only with the Community Institutions but also with the member States and with employers and trade unions.

Achievement of the objectives outlined will require co-ordination with all the other areas of Community policy (regional policy, transport policy, agricultural policy, industrial policy, etc.). The Commission will ensure that policy measures taken in these fields reflect social objectives and contribute to their achievement.

#### H. PROSPECTS FOR THE FUTURE

As the Paris Summit Conference communiqué indicates there is a greater sense of priority and urgency about social policy in the Community. The Community has now reached a stage in its economic and social development when it can afford to, and indeed must, question more critically the pattern and the costs of economic growth and the distribution of its resources. One must also bear in mind that the Community is today not only richer, but also better educated and informed than ever before, and with better education and information come increased, and entirely legitimate, demands for a more just society and a better quality of life.

It is on this basis of achievement and enhanced expectations that we must build.

## A p p e n d i x

### THE SOCIAL ACTION PROGRAMME

The actions proposed in the Social Action Programme fall into the following four categories :

I - Immediate actions which will be the subject of proposals by the Commission to the Council of Ministers for action before the end of 1973 :

1. assistance from the European Social Fund (Article 4) for migrant workers and handicapped workers
2. an action programme for handicapped workers in an open market economy
3. the setting up of a European general safety committee and the extension of the competences of the Mines Safety and Health Committee
4. a directive providing for the approximation of legislation of Member States concerning the application of the principle of equal pay for men and women.
5. the designation as an immediate objective of the overall application of the principle of the 40-hour week between now and 1975, and the principle of 4 weeks annual paid holidays between now and 1976
6. the setting up of a European Foundation for the improvement of the environment and living and working conditions
7. a directive on the approximation of the member States' legislation on mass dismissals

II - Other priority actions, on which the Commission considers that the Council should decide in the period 1974-76 :

A. In the field of full and better employment

8. a directive to provide for the protection of workers' interests in particular with regard to the retention of acquired rights in the case of mergers
9. to promote their cooperation a smoother operation of national employment services
10. to implement a common policy of vocational training, particularly by setting up a European Vocational Training Centre

11. to promote the introduction in all Member States of national systems ensuring income support for workers during vocational retraining, possibly supported by a Community aid geared to the development of Community employment objectives
12. to undertake action for the purpose of gradually achieving equality between men and women on the Community labour market and to reconcile women's family responsibilities with their job aspirations
13. to achieve equality in living and working conditions, in wages and salaries and in economic and social rights, and to ensure the participation in Community life for all migrant workers and their families, combined with a Community action programme and a coordination of the immigration policy of the Member States with regard to third countries
14. to initiate a programme for the social integration of handicapped persons
15. to protect workers hired through private employment services and to regulate the activities of such firms with a view to eliminating abuses thereof.

**B. In the field of living and working conditions**

16. to implement an action programme on safety at work
17. to gradually extend social protection to those persons not covered or inadequately provided for under existing schemes
18. to gradually introduce machinery with a view to adapting social security benefits to income growth
19. to protect workers's interests, with regard to the retention of acquired rights in the case of mergers, concentrations or rationalisation operations
20. to implement in co-operation with the Member States specific measures to combat poverty by the preparation of pilot schemes

**C. In the field of participation and industrial democracy**

21. to use more extensively the Standing Committee on Employment as the principal organ for the discussion of all questions with a fundamental impact of employment

To assist in the setting up of a European Trade Union Institute to help European Trade Union organisations establish training services on European affairs.

III - Supporting actions

A. In the field and full and better employment

- 22. extension of young worker exchanges
- 23. action for elderly workers, unemployed school leavers and women re-entering employment
- 24. forecasts and research on the labour market

B. In the field of improving living and working conditions

- 25. unemployment benefits
- 26. the European Social Budget
- 27. extension of social indicators
- 28. minimum wages
- 29. statistics on incomes and assets
- 30. asset formation
- 31. job enrichment
- 32. statistical enquiries on accidents at work and on occupational safety
- 33. health protection from pollution and from environmental hazards
- 34. extension of the radiation protection programme
- 35. social housing

C. In the field of participation and industrial democracy

- 36. worker participation
- 37. extension of Joint Committees

IV - Actions on which proposals have already been submitted to the Council

- 38. divergent labour market
- 39. comparable statistics on migrant workers
- 40. the Statute of the European Company
- 41. the Third Directive on Company law.