

TRADE UNION NEWS

from the European Community

No 5 Winter 1970/71



**European Communities
Press and Information Office
23 Chesham Street
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TRADE UNIONS IN BELGIUM

Of the six European Community countries, Belgium has the highest proportion of unionized workers - 1,850,000, out of 2,814,000 wage and salary earners, or 67%. Although there are two laws under which the unions can claim legal status, very few have done so. They prefer to avoid the legal conditions which this would impose and which they regard as a threat to union independence. They have, however, a considerable influence in Belgian politics and since the last war, have had an important role in the management of numerous semi-official organizations and in the drafting of legislation.

'PLURALISM' - A PERMANENT FEATURE

One of the main characteristics of Belgian trade-unionism is 'pluralism' - a tradition solidly engrained in the movement for three quarters of a century. The unions, in which workers are organized on an industry basis (workers in engineering, for instance) or according to their occupation (white-collar workers, supervisory staff, and so on), are grouped nationally in confederations of varying sizes.

The Fédération Générale du Travail de Belgique (FGTB), a socialist body, had 761,636 members in 1966. The FGTB was established at the end of the Second World War, the successor to the CGTB, which itself had taken over on January 1, 1938, from the Trade Union Commission set up in 1898 by the Belgian Workers' Party.

The Confédération des Syndicats Chrétiens (CSC), which is loyal to the Catholic Church, had 872,245 members in 1966. It was formed in 1912 by the merger of two existing confederations: the Fédération des Unions professionnelles chrétiens de Belgique, set up on 17 December, 1908 in the Flemish area of the country, and the French-speaking Confédération des Syndicats Chrétiens et Libres des Provinces Wallones formed on the 5 September, 1909.

The Centrale Générale des Syndicats Libéraux de Belgique (CGSLB) had 120,864 members in 1966. It was founded in 1930.

The Cartel des Syndicats Indépendants des Services Publics, (CSI), set up in 1926, had 72,000 members in 1966.

The Confédération des Syndicats Unifiés de Belgique (CSU), set up in 1963, had 26,100 members in 1966.

The divisions between the three biggest federations are ideological. The FGTB bases itself on socialist doctrine, but maintains its independence from all political parties, including the socialists. The declaration adopted by its constituent conference in May 1945 stresses the continuance of the class struggle against privileges which have been "sanctified" by capitalism. It aims to transform the exploited worker, at present reduced to selling his labour, into a voluntary participant in the common production effort, and it calls for the establishment of "economic and social democracy, as a complement to political democracy."

The CSC bases itself on the doctrine of the Catholic Church and maintains "that the Christian social doctrine constitutes the basis of the social order and that the application of its principles is essential to give the worker ... the chance of attaining in this working life, on the material as much as the spiritual plane, the destiny that God accords to every human being."

The CGSLB relies on liberal doctrine, and its statutes aim at "achieving an understanding between workers and providers of work based on mutual respect for rights and duties in accordance with the essential liberal principles of liberty, solidarity, progress and social justice and social harmony."

EMPHASIS ON 'CENTRALISM'

A second characteristic of Belgian trade unionism is its centralization. The main trade-union movements in Belgium comprise only a limited number of national unions federated into a national body such as the CSC or the FGTB. Most of these national unions are industry-based, the main exceptions being white-collar and public service organizations.

Each of the national unions - generally called Centrales nationales (National Centres) have regional "sections", which in their turn have branches at the level of the plant or locality. But the National Centre is the union decision-taking authority. The regional sections of each National Centre are further grouped in regional federations, so that cooperation between the different centres is very close at all levels.

Several factors have continued to reinforce the authority of the two national bodies, the CSC and the FGTB. One of these is the problem of the "general" strike, which goes beyond the jurisdiction of one "Centre". There have been attempts to set up one central strike fund, but only the CSC has so far achieved this. Another factor is the role of referee which was thrust upon these bodies in settling demarcation disputes. Finally, the establishment of strong regional sections or federations has played its part in raising their authority to its present level. There too the CSC seems to have gone the furthest.

Between the Wars attempts were made in both the socialist and the Christian movements to move towards a single union, aiming at the abolition of the National Centres and grouping all workers in a single inter-industry and inter-occupation body, but nothing came of this. Only the CGSLB has a one-union system. This body has no National Centres but simply branches in the various geographical regions where it is active.

INCREASING PROPORTION OF WORKERS ORGANIZED

Taken overall the proportion of 'unionization' in Belgium is very high and has steadily increased. Looking only at the memberships of the CSC and the FGTB, the rate of growth is as follows:

1910:	6.88%	1961:	55.80%
1930:	35.05%	1965:	55.39%
1947:	40.89%	1966:	59.64%

If all union organizations are included, the 1966 figure was 67.60%. (The figure for Britain is about 42%).

As to the relative importance of the two largest organizations, the table below shows that after the First World War the Socialist trade-union movement started off at a very high level and then progressed slowly from a figure of 500,000 to around 700,000. Throughout the inter-war period, its massive membership dominated the Christian unions. After a slower start, the latter's rate of progress has been much more rapid, and since the late 1950s they have formed the larger of the two federations.

Trade Union Membership compared

	FGTB	CSC
1900	31,311	10,000
1914	129,177	123,000
1920	687,610	156,631
1930	502,781	209,311
1939	546,224	339,769
1950	631,075	567,587
1960	706,087	761,705
1966	761,636	872,245

Another indication of the relative strengths of the two federations can be found in the results of the four-yearly elections to the Works Councils and joint Health and Safety Committees which under Belgian law any factory with over 50 staff must provide for. Union and non-union workers vote in the elections, but only the unions can put forward candidates. Although there are of course regional variations, the latest national figures show that the FGTB gained 50.47% of the votes, and the CSC 44.21% for the Health and Safety Committees, and 51.12% and 43.71% for the Works Councils (with around 5% going to the liberal unions), though the trend shows the CSC gradually gaining ground.

It is rather difficult to establish the rate of unionization by individual industries, as several National Centres include unionists from several different industries. We can however attempt to establish a figure for workers in the engineering, mining and textile industries where the memberships of the National Centres are fairly homogeneous.

% of manual workers organized

	1910	1930	1947	1961
Engineering and metal	9%	59%	62%	72%
Mining	13%	36%	41%	60%
Textiles	8%	60%	66%	85%

The calculation is easier by occupational categories. The rates for the three categories - manual workers, white-collar workers, and public service employees - are shown below, for the postwar period:

% of workers organized by occupation

	Manual Workers	White-collar workers	Public Services
1950	56%	28%	56%
1960	74%	30%	67%
1966	77%	33%	76%

The lowest rate of increase is among white-collar workers. The highest, among public service employees, reached the 1960 and 1965 levels thanks to the contributions of the CSI and the CSU both of which had established strong roots in this sector. If one limits one's examination to the two strongest unions, the CSC and the FGTB, the 1965 rates are: manual workers 68%, white-collar workers 31%, public services 63%.

It is nevertheless possible to make an analysis by industries, if one looks at the position of the strongest unions in the results of the Health and Safety Committee elections.

One finds from this that the FGTB received in the 1963 elections more than 55% of the votes in such industries as iron and steel, coke and synthetics, department stores, trams and buses, glass. Similarly, it obtained more than 50% of the votes in transport, gas and electricity, steel construction, printing. The CSC on the other hand did not reach 55% in any industry. It achieved more than 50% in the food industry, timber, textiles, chemicals and cement, the first three of which tend to be dominated by smaller-sized firms.

The FGTB seems therefore in general stronger than the CSC in those industries dominated by large firms. These are the "pilot" sectors of trade-union activity. The CSC is strongest where the small firm is the general rule.

Geographically, the progress of unionization does not seem to have been particularly related to industrialization. The trade unions have always, paradoxically, had their strongest roots in the Catholic Flemish maritime provinces although these are less industrialized than the Walloon provinces of Hainaut and Liège. However, it must be borne in mind that, above all in Flanders, workers join unions in their home areas, and large numbers of Flemish workers worked, up until a few years ago, in Hainaut, and even today many are still in jobs in Brabant. This same phenomenon could have occurred in Limbourg and Liège.

THE UNIONS AND EUROPE

Like their opposite numbers in the five other member countries, both the FGTB and CSC are strong supporters of European integration, and have been so consistently since the early 1950s. This is not to say they are uncritical. The FGTB state from the beginning that "it is not a case of agreeing to *any* form of organization. What is needed is an organization which implies that the economy will be directed in a manner quite opposed to the political action exercised to date by the employers' cartels." The unions' main criticism is that integration is not progressing fast enough. They want to go beyond free trade inside a common market, which will benefit mainly the employers, to real economic and social harmonization which bring benefits to their members. They insist in

particular that the Community gives much greater priority to the achievement of social aims than in the past. They also maintain that as the Community progresses towards closer integration, it must be made more democratic, and that the unions themselves must be more closely associated in its decision making.

Finally both FGTB and CSC are ardent supporters of widening the present Community to include Britain and other democratic European countries.

For further reading: Guy Spitaels. Le Mouvement syndical en Belgique. 1967.

THE	<i>How do people live in the EEC?</i>
COMMON	<i>What about wages and prices, working hours</i>
MARKET	<i>and holidays, social benefits?</i>
AND	<i>How fast are living standards rising?</i>
THE	
COMMON	For the answers see "The Common Market and
MAN	the common man", a 32-page booklet available
	free of charge
	(see order form on page 29)

WHY THE UNIONS FAVOUR EUROPEAN INTEGRATION

The free and Christian trade unions of the six countries, who organize 15 million workers, have from the beginning been enthusiastic supporters of European integration, and of the European Community as the instrument for achieving this integration. And after more than a decade they are still enthusiastic supporters. What are their reasons?

Economic reasons

Economically, the unions saw the abolition of trade and other barriers between the six countries, and the co-ordination of their economic policies, as helping to generate the economic expansion which was needed to increase their members' living standards. Even the Italian Communist-orientated CGIL passed a resolution as far back as 1957 which, while criticizing the newly-signed EEC treaty on account of "the political and military framework in which it is conceived", supported economic integration because it would help provide for "real needs such as the necessity of guaranteeing larger markets for the improvements in productive techniques now taking place, the need to co-ordinate efforts for a more rational use of all the technical resources both of power and of human labour, (and) the need to guarantee a still more rapid development of the economically backward regions". And looking back over more than a decade now, the unions are convinced that their attitude has been justified. The rapid and constant economic growth of the Community, based in large part on the dramatic increase in trade between the six countries, has meant that wages have gone up over twice as fast as prices, and real living standards have consequently shot ahead.

Trends in wages and living costs (% increase 1958-68)

	Hourly gross wages	Consumer prices	Real rise in wages (1)
Belgium	87	27	47
France	106	46	41
Germany	108	25	66
Italy	115	39	55
Luxembourg	77	21	46
Netherlands	147	41	75
<hr/>			
UK	62	35	20

(1) Increase in wage index adjusted to take account of rise in consumer price index

The main criticism which the unions address to the Community is not that it is going too far, but that the process of integration is not moving fast or far enough. They hope it will go farther, and among other things see the Community framework as alone permitting the governmental and trade-union joint action required to re-establish effective control over the operations of multi-national big business.

And political reasons too

The non-Communist unions have from the outset supported the EEC for political reasons too. In the Hague in April 1969, at the founding congress of the European Confederation of Free Trade Unions in the Community, Ludwig Rosenberg, then President of the German DGB and retiring President of the Confederation's predecessor, the European Community Trade Union Secretariat, expressed it as follows.

"How to create a free and united Europe? That is the problem which has to be solved, which must be solved, and which we are determined to solve. Those who see in the Community only a mechanism for fixing the price of tomatoes, exports of vegetables and trade questions have no conception of the real problems which require solution.

"Certainly, all these questions are important and must be solved. However, it is not a question of opening a huge store or grocer's shop under the European emblem, but of creating a real Community of free and democratic people, without which valid and enduring solutions to all the other problems will never be possible.

"We trade unionists ... will not tire of reminding people that only a politically and economically united Europe will allow the achievement of the aims we have set ourselves: to assure and increase the material well-being of Europeans ...

"This Europe must unite or become a satellite of one of the big world powers ...

"That is why we are not in the least disposed to recognize what does not exist in reality: a sovereignty which always fails when it should affirm itself, a sort of sovereignty which succeeds in irritating others but is unable to help itself.

"A Europe made up of different nations which all act as if they were independent of each other - but which are not so - this Europe is for us not reality, but a terrible error, as dangerous as it is reactionary ... This is why we remain firm in our support of the spirit of the Rome Treaties and of the tasks which they set out ...

"To those who object that these are chimeras, unreal dreams, we ask what alternative they can put forward ...

"We are firmly convinced that the only real solution for the future lies in agreement and understanding among all the free peoples of Europe. It is therefore necessary to find a way of including in our Community Britain, the Scandinavian countries, Ireland and all other free and democratic countries. Without them, the Community is incomplete. Without them, the Community cannot fulfil its European and world tasks.

A democratic Community

"But this Community is closed to those who do not respect the fundamental rights of freedom, self-determination and democracy. It has no meaning unless in all its aspects it conforms to these basic principles. It offers no place to dictatorships, of the right or of the left, to countries whose people cannot decide and where exist no free and independent trade unions or freely elected parliament ...

"Any concessions (to non-democratic forces) ... would reduce to nothing the whole meaning of the Community, which is to unite all those who have made human dignity, freedom and social justice their watchword. For 100 years the unions have pledged themselves to this aim, ... which they serve by their unchangeable will to build the European Community".

Ludwig Rosenberg was in London in February 1971, where he addressed a public meeting at the House of Commons, one at the TUC, and a private meeting of trade-union MPs. He repeated many of the points made above, but stressed in particular the need to face up to the growing internationalization of the economy. The big companies were operating increasingly internationally. The unions must face up to this challenge, not trying to prevent an inevitable development which would in any case, if properly controlled, bring benefits to the working people.

"It is not enough, he went on, to say that one is afraid of the risks involved. There is nothing to be achieved without risks ... If the industrial world is changing, it is not realistic to believe that everything may change except the trade unions. It is true that it will be a process taking years and creating difficulties - but one cannot very well demand to change the world without being ready to accept difficulties and to face up to them.

"There is no doubt in my mind that our aims of securing full employment, job security and improved working conditions, that the exclusion of unfair labour practices by national competition and all that - these tasks of trade unionism cannot be fulfilled satisfactorily as long as the present balkanization of free and democratic Europe remains as it is. The trade unions of the six countries have supported the idea of such European integration because they believe that such integration is economically sound, socially progressive and for the political and economic importance of free Europe indispensable.

They are supporting it not only because of it being basically in line with old trade union and labour conceptions, but also because it provides the chance to work in a wider and very realistic sense for the betterment of living and working conditions of the workers in all the countries concerned."

PROGRESS ON LABOUR AND SOCIAL POLICY

Labour Ministers of the Six agreed at a Council session on November 26 on the details of the reformed European Social Fund (see also Trade Union News No. 4, p.15) and the new Standing Committee on Employment, an advisory body that will represent unions, management and governments.

Both bodies will help the Six to carry out a more effective Community manpower policy. The Standing Committee is intended to ensure coordination on labour questions between unions, management, the Commission and member states.

Ministers also decided to try to harmonize social security policies, prepare a Community social budget, and continue their studies in depth on factors influencing employment - such as occupational training and the flow of non-EEC migrant workers - with greater policy coordination as their aim.

European Social Fund

The Six agreed to reform the Social Fund last July, following an undertaking to do so at the December 1969 The Hague summit. Now the Commission has to draw up draft regulations incorporating the Council's decisions on the Fund's increased role. Ministers decided that Fund interventions would be related to the development of common policies, and that therefore, as with the EEC Farm Fund, there would not be a limit on expenditure. However, they plan to set a "warning-light" maximum.

Administered by the Commission, the European Social Fund was set up under the Rome Treaty to help resettle and retrain workers hit by economic changes. Following The Hague summit call, and proposals by the Commission to change the Social Fund from a relatively passive "clearing-house" into an active instrument of a common employment policy, the Labour Ministers of the Six agreed last July on the principles that would govern the Fund's functioning, probably from 1972.

The major change is that the Commission and Council will be able to steer an increasing portion of the Fund to helping workers directly affected - or equally important, likely to be affected - by the execution of Community policies. Thus the Community will now be able to take the initiative in deciding where, when and whom to help. But the Fund also will continue its traditional activity: automatically reimbursing

governments for national schemes to aid workers hit by structural under-employment or unemployment in peripheral and other problem areas as well as handicapped and older workers, and women and young workers.

The reformed Fund will continue to pay half the total cost of approved expenditure. But in future it will be allowed to aid private as well as public bodies - subject to adequate guarantees. All workers in the Community - i.e. not exclusively Community citizens - will be eligible for help. For situations affected by common policies the Commission will be able to take the initiative - after it has consulted unions and management - in proposing measures to the Council.

Employment Committee

Ministers agreed in principle last May to set up a Consultative employment body. The Standing Committee will consist of 18 union and 18 employer representatives. The Commission and the Council of Ministers will be represented, but no specific number of seats is allocated. The Employers' Liaison Committee will have 11 seats, the Confederation of Professional Agricultural Organizations (COPA) 4, and the European Confederation of Public Enterprises (CEEP) 3. On the union side, the European Confederation of Free Trade Unions (ICFTU) will have 9 seats, the European Organization of the World Confederation of Workers - the Christian trade-union movement - 4, the French and Italian Communist-orientated unions (CGT and CGIL) 2, the International Confederation of Clerical Workers (CIC) 1, the French Confederation of Christian Workers (CFTC) 1, and the German Office Workers' Union (DAG) one seat.

Ministers decided that the Standing Committee would complement the advisory functions of the European Parliament and the Economic and Social Committee, which have to give their opinions on major Commission proposals before the Council can act. The Standing Committee will seek to concert the views of labour and management on employment policies and then submit its views to the Community institutions.

Reports indicate that the free trade unions and the private-enterprise employers are more content with the arrangements than the Communist unions and the public-enterprise employers, who have various doubts about the Committee's role and effectiveness. The creation of such a body has long been urged by the free trade unions in particular, and it was one of the main recommendations of the Commission-sponsored conference with labour and management held in April 1970 (see Trade Union News No. 4, p.22).

The Committee's inaugural meeting will take place on March 18.

PAID HOLIDAYS IN THE EEC

The trade unions of the Six have adopted as their common aim the granting of four weeks annual holiday for all workers, on double pay. And they see this as a realistic aim, to be achieved fairly rapidly, not as a long-term hope.

What is the present situation in the six countries?

In all the countries employers are required by law to grant paid annual leave, though in Italy the law does not specify any minimum length. In the other five, there is a legal minimum. But in most of them the legal provisions are extended as a result of collective bargaining, and indeed in some cases governments have given such agreements the force of law and made them applicable to all workers. All in all, paid annual holidays in the EEC are longer than in Britain, and paid public holidays (bank holidays) tend also to be more numerous. In addition holiday bonus schemes are more widespread.

France

Since 1968 the legal minimum holiday for all workers has been four weeks on full pay. In many sectors additional days leave are granted according to length of service. Since the fourth week became general in 1968, the unions have tended to press for shorter hours and more holiday bonuses rather than still longer holidays. In some sectors, the system of the "thirteenth month" is widespread - that is, an additional month's salary as a bonus paid out either in the summer or at Xmas. There are also nine public holidays in France. The total of annual and public holidays thus works out at 33 days.

Belgium

In Belgium the legal minimum has been three weeks since 1966 with additional days for workers under 18 years of age. In many industries length of service also brings additional days leave. All workers receive a holiday bonus, on top of normal holiday pay, equal to at least two weeks pay, and in some industries three weeks. Belgium has ten public holidays, giving a total of 28 days.

Germany

The legal minimum varies between 15 and 18 days annual holiday, but collective agreements mean that the majority of workers now get 24 days, or four weeks. Young workers under 18 are guaranteed 24 days by law and additional days are also granted to workers over 35 years. Since 1963 an increasing number of agreements include holiday bonuses, calculated in various ways, but the average works out at about DM 10 (about £1.15p) per day's holiday. Public holidays vary from 10 to 13 in the year, depending on the Province, giving a total of between 25 and 37 days.

Italy

In Italy collective agreements are more important than legal provisions. The system consequently varies considerably from region to region and from industry to industry, from 12 days to 30 days. In many cases length of service can double or almost treble the number of days given. Italy also has the highest number of public holidays: 17. The total of annual and public holidays varies therefore from 29 to 37.

Netherlands

The legal minimum varies from 18 to 23 days, but collective agreements often go beyond this, and also provide for two weeks pay as holiday bonus. There are 6 to 7 public holidays. Total: 24 - 30 days.

Luxembourg

Since 1966 Luxembourg law has required a minimum of 18 days for all workers, 21 days for those over 30 years of age, and 24 days after 38 years. Young workers under 18 also get 24 days. And Luxembourg also has 10 public holidays, giving a total of 28-34 days per year.

Britain

In Britain there is no legal minimum, but 15 days annual holiday is now widespread, plus 6 public holidays, or a total of 21 days.

Country	Minimum annual paid holiday (in days)	Public holidays	Total
France	24	9	33
Belgium	18(1)	10	28
Germany	15-24(2)	10-13	25-37
Italy	12-30	17	29-47
Netherlands	18-23(1)	6- 7	24-30
Luxembourg	18-24	10	28-34
United Kingdom	generally 15	6	21

(1) Plus holiday bonus equal to 2 weeks pay.

(2) Plus bonuses.

COMMUNIST UNIONS ON NEW ECONOMIC AND SOCIAL COMMITTEE

For the first time, the Community's Economic and Social Committee (ESC) includes members of the Confédération Générale du Travail (CGT), the French union federation affiliated to the Communist World Federation of Trade Unions (WFTU), which has its headquarters in Prague.

Among its 27 new members, the new committee, appointed for a four-year period from August 1970, includes Livio Mascarello, the CGT's Secretary-General, and Oswald Calvetti, a member of the CGT executive.

Trade union representatives constitute one third of the ESC's 101 members, employers make up another third, and representatives of the general interest (including public bodies, state industries, government departments, farmers' organizations, the professions, economic and social experts) make up the remainder.

Most trade union representatives are drawn from national union federations affiliated to the International Federation of Free Trade Unions (ICFTU), or to the Christian-orientated World Federation of Labour (WFL). However, since 1966, two Socialist members of the Confederazione Generale Italiana del Lavoro (CGIL), the Italian WFTU union federation, have been among the Italian general interest group on the Committee.

The nomination of CGT and CGIL members in recent years represents a rapprochement of these two organizations with the Community institutions.

The Economic and Social Committee represents views of workers, employers and the general public in the working out of Community policy. Under the Rome Treaty, the Council and the Commission must consult the Committee on a wide range of matters; in practice, they also seek the Committee's views on other matters. The Committee has established specialized groups on several subjects, in addition to those on transport and agriculture, which were specifically referred to in the Treaty. The Committee meets in plenary session about ten times a year and hears reports by Commission members and other Community officials.

Divided into union, employers' and general-interest representatives, the Committee comprises 24 members each from Germany, France and Italy, 12 each from Belgium and the Netherlands, and five from Luxembourg. The Council selects the members on the basis of nominations by national governments. If the Community were enlarged, the United Kingdom would be represented by 24 members and Denmark, Ireland and Norway by nine each.

● First steps towards economic union

In February 1971 the Council of Ministers agreed that the Community should set out on the road towards economic and monetary union. They had accepted the general aim in June of last year, with 1980 as the target date. (See Trade Union News No. 4, p.21). They have now agreed on the details of a first phase to cover the three years 1971-73.

During these first three years the six countries will narrow the exchange-rate margins between their currencies, set up a \$2,000 million medium-term fund to help member countries with balance of payment difficulties, co-ordinate their short- and medium-term economic and budgetary policies, and hold regular meetings between their finance ministers and central bank governors. By the end of 1973 the Council will have to decide what comes next.

The Six are clearly taking a pragmatic approach - no blueprint of how economic and monetary union will develop in the later years. The mutual aid fund will run for five years, until 1975, but there is an "escape clause" which allows a country to pull out if it is not possible to reach agreement on further development. This means that, if Britain, Ireland, Denmark and Norway join the Community - and January 1, 1973 is the target date for entry - they would have a full say in the vital talks on what will happen after the initial period.

Union viewpoint: In December the free trade unions of the Six expressed their views on economic and monetary union. The Executive Committee of ECFTUC reiterated its support for monetary and economic union on certain conditions. It called in particular for the direct election of a European Parliament with wider powers than the present one, the guarantee that the rights won by the unions at the national level would be maintained at the Community level, and the implementation of an effective social policy at the same time as economic and monetary measures. It stressed that this social policy could not be based on deflation or a so-called "incomes" policy which amounted in reality merely to wage restraint. It called in particular for the creation of special machinery to promote economic expansion and social progress, full employment and an effective regional development policy, and a fair distribution of incomes.

5-year programme: Also in February the Six adopted the Community's third Medium-term Economic Policy Programme, for 1971-75.

● EEC lowers tariffs

The fourth round of reductions in the Community's common external tariff negotiated in the Kennedy Round was made on January 1. It lowered duties on most industrial goods, and on some agricultural products.

The fifth and final round of cuts will be made by the Community and its trading partners on January 1, 1972. It will be the last in a series of tariff reductions which will have reduced tariffs on industrial goods in 50 countries by an average of 35-40 per cent.

Average Post-Kennedy Round Tariffs (%)

	Raw mate- rials	Mine- ral fuels	Oils and fats	Chemi- cals	Semi manu- fac- tures	Machi- nery and trans- port	Misc. manu- fac- tures	Average post- Kennedy Round	Average pre- Kennedy Round
US	3.6	3.7	14.9	9.6	8.8	5.9	17.6	9	14.6
Japan	2.0	11.4	12.3	10.9	9.8	11.3	13.1	10.9	18.3
EEC	1.0	2.0	9.8	7.3	8.0	8.5	10.2	8.4	13.1
UK	2.0	0.2	10.0	8.2	9.4	9.7	15.2	10.2	16.3

Source: OECD, *Inflation, The Present Problem*, December 1970.

● Commission urges two new R & D bodies

The Commission has proposed the setting up of two Community research organizations - one to plan, and the other to carry out, a coherent programme of joint technological and scientific development in the nuclear and non-nuclear sectors.

A European Research and Development Committee would draw up and submit to the Commission all plans for Community cooperation in research and development. It would group Commission experts, high-ranking officials responsible for research policy in the member countries, and representatives of trade unions, industry and Community universities.

On the basis of this Committee's work, the Commission would make proposals to the Council for the setting up of Community projects where necessary. A European Research and Development Agency would carry out these projects. Created under the aegis of the Commission, it would be the trustee of the funds made available to the Community for carrying out its R & D programme.

In a "letter of intent" sent to the Council of Ministers in November, the Commission calls for a completely new overall approach which would:

- end the present system whereby a variety of Community bodies of different status and composition, and with varying terms of reference, examine an uncoordinated range of non-nuclear activities to see whether cooperation is feasible;
- settle the longstanding differences over Euratom's role, in particular by transforming its Joint Research Centre into a more autonomous body which could also handle non-nuclear research - in December the Six agreed in principle to do this;
- encourage the Six to act on their affirmation, at the December 1969 The Hague summit, of "their readiness to continue more intensively the activities of the Community with a view to coordinating and promoting research and development";
- settle clearly which projects were suitable for research and development at national level, Community level, or in conjunction with non-member states.

● Railways urged to cooperate

Transport Ministers of the Six in December asked the Community's six national railways to intensify their efforts to cooperate with each other, in order to cut operating costs and improve services for passengers as well as freight.

Railway authorities were asked to increase technical, commercial and administrative cooperation with one another, and with other European lines. The Community railways will report once a year on progress in this direction, the Council of Transport Ministers decided at their meeting on December 7.

Among the means suggested for increasing cooperation and cutting down on duplication of efforts were greater pooling of rolling stock on international routes and in frontier regions, and the sharing of staff and equipment. On the technical level, the Council strongly urged the intensification of efforts to standardize equipment and to find ways of speeding up both passenger and cargo service, especially on international routes. In the administrative field, the six railways were asked to study the prospects for tightening integration of their routes and for establishing a common scale of charges from point of departure to destination. Joint purchasing arrangements were also suggested.

● Community's economic growth continues

During 1970 the European Community's total gross product increased by 6% (compared with 7% in 1969 and 6% in 1968). Since 1957, the year before the Community came into existence there has been a total increase of 95%, compared with 61% for the USA and 42% for the United Kingdom. The EEC's gross product is now valued at almost \$500,000 million, compared with \$970,000 million for the USA and £116,000 million for the UK.

Investment in the Community increased by 18.5% (15.5% in 1969), industrial production by 8% (11% in 1969), and wage income increases varied between 10% and 20% in different countries. Visible exports increased by 14%.

● Sharp increase in hourly wages

The latest comparable wage figures for five of the six EEC countries (the Italian figures are not yet available) show that in the six months October 1969 to April 1970 average gross hourly wages increased by 12% in Luxembourg, 8% in the Netherlands, 7% in France and Belgium, and 5% in West Germany. The table gives the figures for the longer period from April 1964 to April 1970.

	Increase in nominal wages	Increase in real wages (1)
Germany	53%	31%
France	63%	30%
Belgium	61%	29%
Netherlands	70%	28%
Luxembourg	49%	24%
<hr/>		
Britain (2)	35%	17%

(1) Increase in wages adjusted to take account of increase in consumer prices.

(2) Approximate comparison

● Car output in 1970 at new peak

Production of passenger cars in the European Community rose by 8 per cent last year to 8,681,000 vehicles, a new record level. But the rate of expansion slowed down appreciably from the 13.6 per cent increase in output recorded in 1969.

Of the individual member countries, Italy showed the highest advance in 1970, production of cars rising by 13.7 per cent to 1,680,000. Germany, the largest producer at 3,500,000 cars, showed a 5.6 per cent rise in output over 1969, while France, in second position, showed a 12 per cent rise to 2,430,000. Germany produced 44.2 per cent of total Community's output, France 30.7 per cent and Italy 21.2 per cent.

Production of commercial vehicles increased by 2.6 per cent to 761,000 units, a 99 per cent increase over 1958. Again, Germany is the main producer, though France follows closely behind, with Italy standing in third place. Italy's 1970 output was up 12.6 per cent over 1969, Germany's by 6.2 per cent, whereas French output dropped back by 2.1 per cent. As with motor cars, Belgian output fell back significantly, though this was more than made up by a major increase in assembly operations, so that "production plus assembly" in Belgium reached 70,000 vehicles, against 47,500 in 1969. In the table below assembly operations have been excluded:

Motor vehicle production (in thousands)(1)

	Passenger vehicles				Commercial vehicles			
	1958	1970	% Increase since		1958	1970	% Increase since	
			1958	1969			1958	1969
Ger	1307	3500	+168%	+ 5.0%	188	310	+ 65%	+ 6.2%
Fr	969	2430	+151%	+12.0%	159	285	+ 79%	- 2.1%
It	369	1680	+355%	+13.7%	34	134	+292%	+12.6%
Neth	-	68	-	+11.1%	1.6	12	+581%	+10.0%
Bel	-	255	-	-11.1%	0.5	20		-31.0%
EEC	2622	7920	+202%	+ 8.6%	383	761	+ 99%	+ 2.6%
UK(2)	1052	1641	+ 56%	- 4.6%	313	458	+ 46%	- 1.5%

(1) Figures exclude assembly operations, which are especially important in Belgium. If included, the Belgian figures for 1970 would be 780,000 and 70,000 respectively.

(2) UK 1970 figures are provisional.

● Electrical unions bid to control multinational firms

International policies in the face of the multinational electrical and electronics industries were agreed in The Hague at the first world conference of electrical and electronics workers. The three-day meeting, which started on September 30, was attended by 83 delegates from 21 countries.

A statement called for strengthened, coordinated action by the International Metalworkers Federation and its member unions. It said "the increasingly rapid concentration in giant national and international companies also requires increased attention to the special problems of the over four million workers employed by the 32 big electrical and electronics companies". In many of these companies "the centres of decision are so far removed from the communities affected by them that trade unions are faced with the difficulty of bargaining with managements who, rightly or wrongly, claim they are limited by financial decisions made thousands of miles away.

"The increased trend towards the adoption of international legislation, particularly in the European Common Market and the Latin American Free Trade Area strengthened the insistence of the IMF on the inclusion of social controls and workers' rights in such legislation. The giant companies should get no privileges without social responsibilities", the statement said.

At the meeting there were discussions among delegates from Philips, Westinghouse, ACEC, General Electric, AEG-Telefunken, Siemens and Osram. They drew up a number of specific points on the operations of all branches of the world companies and on working conditions, trade-union rights and aspects of labour-management relations.

● Meeting with Fokker/Vereinigte Flugtechnische Werke

Fokker/VFW is a recently merged Dutch-German aircraft manufacturing group employing 24,000 workers in 8 Dutch and 9 German factories. A first "multinational" meeting between directors of the group and the European Committee of Metalworkers' Unions was held in December 1970. The main matters discussed were: the company's investment plans, production programme and manpower planning, and the harmonization of social and working conditions between Fokker and VFW. There was agreement that the merger should not lead to redundancies, that company training schemes would be extended, that bonus schemes in the Dutch and German parts of the new company should be harmonized, and that joint meetings would be held on a regular basis.

● More talks with Philips

The European Committee of Metalworkers' Unions (of the EEC) had its third "multinational" meeting with the Philips company in September 1970. The Philips group, based in Eindhoven in the Netherlands employs some 350,000 workers, including 285,000 in 150 factories in Europe. The union delegation, led by Günter Köpke, Secretary of the Metalworkers' Committee, included union leaders from the Netherlands, West Germany, Italy, France and Belgium, and the employer's wide comprised directors from various national subsidiaries and was led by the company's president, Mr. Philips.

The meeting discussed a ten-point union memorandum on general manpower and social policies which might one day underly an international collective agreement covering all the firm's employees in Europe and eventually throughout the world. Other discussions centred on Philips' working methods and organization, in particular the relations between the firm's central management and managements of its individual branches, and the company's present and future activities. The two sides agreed on the setting up of a committee to maintain constant communication on the different problems involved.

● IMF team meets Brown Boveri

A 15-men delegation from the International Metalworkers' Federation met members of the top management of the Brown Boveri company at the firm's head office in Baden, Switzerland, in September. The subject of the talks was the effects on the workers of the former Swiss company, which produces electrical and mechanical goods, becoming a world concern. The IMF delegation was led by IMF Assistant General Secretary, Daniel Benedict, and consisted of representatives from the shop-floor of the 90,000 workers employed by Brown Boveri in Germany, Switzerland, France, Italy, Austria and Norway. The union side proposed a number of measures to ensure the protection of workers transferred from one factory to another, urged the development of scientific and technical research, better working conditions and the extension of trade union rights. Agreement was reached in principle on the progressive introduction of monthly pay for all and on eliminating all social differences between white-collar and blue-collar workers.

● 100 years of German trade unionism

On February 5, as part of the centenary celebrations of the German trade unions, Heinz Oskar Vetter, President of the DGB, and Victor Feather, TUC General Secretary, jointly opened an

exhibition at the TUC's headquarters, Congress House, on the labour movement in Germany.

Mr. Vetter briefly sketched the history of the German movement and concluded by stressing the German union's commitment to European unity.

"At no time have trade unions in Europe been faced with tasks and responsibilities which will have impact on the shaping of a modern world with decent living conditions, freedom and peace as today.

"Since the end of World War II the German trade unions have never ceased to stand up for a unified Europe, participating actively in the various bodies of the European Community and hoping that the steps taken towards an economically unified Europe soon would be followed by a political union.

"There is no doubt that questions such as the freedom of labour movement and the mobility of the European labour market will play a significant part in the event of an extension of the European Communities (to include Britain). The German trade-union movement has always advocated the idea that European countries with democratic constitutions should join this Community so that joint action will make it possible to solve the most urgent social problems in the spirit of international trade union solidarity".

● New ECFTUC President

Heinz Vetter, President of the German DGB, was unanimously elected President of the ECFTUC (European Confederation of Free Trade Unions in the Community) when the ECFTUC Executive Committee met on December 10.

Heinz Vetter, 53 years old, has been full-time President of the German trade-union federation DGB since May 1969. He was previously Vice-President of IG Bergbau und Energie, the German miners' union. He succeeds André Kloos who in January 1971 resigned as ECFTUC President and President of the Dutch NVV to become Chairman of the Dutch radio and television service VARA.

● Turkish unions join ECFTUC

The Turkish trade-union organization "Turk-IS" was accepted as an associate member of the European Confederation of Free Trade Unions in the Community, when the latter's Executive met on December 10. Turkey has been an associate member of the European Economic Community since 1963.

● Moves towards trade-union unity in Italy

The three main Italian trade-union federations - CGIL (WFTU affiliated), and CISL and UIL (both ICFTU affiliated) have been drawing increasingly close over the last year or so. Their cooperation has now reached a stage which would have seemed unthinkable only a few years back. From October 26-30, 1970, the General Councils of the three federations met in Florence in their first joint session. At the end of the four days of talks a joint document was adopted, calling on all the workers and trade-union organizations to take steps to increase progress towards unification.

The document declared that "the unity of the trade-union movement, by increasing the independence of the unions, constitutes the working class's most effective, necessary and appropriate political response to the employers". Italian workers and unions at all levels are urged to take a number of concrete steps to further their unity. In particular they call for joint working groups and regular meetings of the various bodies of the three federations, at all levels, not just to review the situation, but propose to the different unions joint lines of action towards the employers; new joint executive offices which will carry out the agreed policies; joint services in the fields of press and public relations, publications, research and certain aspects of industrial training; and a permanent coordinating body to ensure that the unions speak with a single voice in their dealings with the government and other public authorities.

It is proposed to hold a joint congress of the three federations in the summer of 1971 to review progress on these points and take the necessary decisions which can lead to the creation of a single trade-union movement.

● CGT and CFDT want common action

Meetings in September and October 1970 have brought the two biggest French trade-union confederations closer together. The Communist-orientated CGT, and the CFDT, which is affiliated to the (Christian) World Federation of Labour, but which dropped the word Christian from its own title in 1964(a), agreed to a joint campaign on two questions: (1) the reduction of the retirement age to 60 years and an increase in the basic pension to 800 francs per month (about £60), and (2) an "information hour", in company time, to be granted by all employers so that unions and workers can discuss those aspects of company policy which affect them.

The two confederations agreed also to try to harmonize their positions on wage demands, and urged greater contacts at all levels between their respective affiliates.

(a) See "The trade unions in France", Trade Union News No. 4.

● DGB - CFDT contacts

Heinz Oskar Vetter, President of the German DGB and Eugène Deschamps, General Secretary of the French CFDT had an important meeting in Bonn in October, when they discussed in particular the need for much closer cooperation between unions in the European Community. This meeting was followed by a joint seminar held in Sarrebruck from 30 November to 5 December, and a further session is planned for the coming spring. The meetings are significant because the DGB is the biggest ICFTU union federation in the EEC, and the CFDT one of the leading ones in the (Christian) World Federation of Labour.

● Top German trade-union leaders in Brussels

To mark their interest in international and European affairs, the German trade union federation DGB for the first time held its Executive Committee meeting in Brussels, on 6 October. The Committee, headed by its President, Heinz O. Vetter, and including the Presidents of the individual DGB unions, was also received by the European Commission led by its President, F. M. Malfatti on 5 October.

● Trade Union Committee for Europe launched

The Trade Union Committee for Europe was launched at a press conference in January, under the chairmanship of Tom Bradley, President of the Transport Salaried Staffs Association, Labour M.P. for Leicester N.E. and a member of the National Executive of the Labour Party.

Mr. Bradley called for a full and open debate on the question of Britain joining the European Community, and said that his Committee aims to ensure that the pro-European case did not go by default. "Being pro-European", he went on, "means that given sensible terms we believe that there is a definite balance of advantage in membership".

He pointed out that "in Britain we can benefit from the experience of continental trade unionists who during twenty years have not only worked within the Community framework but also contributed towards the process of European construction. Their verdict is clear, we should join. We should work with them in facing the problems of the multi-national company with the multi-national trade union, and we should seek to strengthen rather than diminish the supra-national characteristics of the Community".

TUCFE, which has the support of many national trade-union figures as well as ordinary union members, plans a programme of conferences in various parts of Britain, and a series of pamphlets and leaflets.

● Film workers call for European cooperation

The possible dangers of American dominance in the European film industry were discussed at the 16th Congress of the European Union of Film and Television Workers, held in Antalya, Turkey, in June 1970. It was acknowledged that the building up of U.S. interests in Europe's film industry had kept the rate of production much higher than it otherwise would have been. However, such dominance involved dangers: firstly in the cultural field there was the danger of the disappearance of independent national voices from the world of the film; secondly on the industrial side the sudden withdrawal of substantial amounts of U.S. finance could cause havoc. National distribution networks should be encouraged to come together to form an independent European film distribution network, which could eventually be suitably represented in other continents. This network could guarantee wider distribution for an independently produced European film than individual national networks could do at present; it could further stimulate the production of films.

It was noted that the European Economic Community had failed to take action as required by the EEC treaty on the problem of unfair competition resulting from aid given to the film industry by certain of the governments of the six countries. National aid schemes should not be abolished but should be harmonized; this harmonization should be effected in a way which would assist the survival of an independent European film sector. New overall EEC economic policies would provide a new opportunity for attacking the problem.

● Eurocrats strike

The so-called "Eurocrats", the Common Market civil servants employed by the European Commission in Brussels, and in its information offices in other European capitals, struck for three days from December 9-11. Of the four and a half thousand civil servants, 3,600 had voted in the strike ballot the previous week, and of these 3,300, or 92%, favoured strike action. The strike was over the double issue of improved negotiating rights and a wage claim.

The free and Christian trade unions of the six countries issued a statement on December 9 supporting the strike action.

● Prevention of industrial accidents

The Commission of the European Communities organized in Luxembourg on 21-23 October 1970 a conference on the prevention of industrial accidents. It was attended by experts from the six EEC countries and from Britain and Sweden. The aim was an exchange of views and experience. Much of the discussion was based on the work already done by the European Community's committee on industrial safety in the steel industry.

● Industrial relations compared

We would draw attention to a useful book, now over a year old but still of interest, which compares trade union history and structure, and industrial relations in North America and Western Europe: Everett M. Kassalow. Trade Unionism and Industrial Relations - an International Comparison. Random House, New York. 1969. 333 pages.

● EEC-Greece association agreement to remain frozen

Greece became an associate member of the European Community in October 1961, but since the present régime came to power in 1967 the agreement has been suspended. Although the tariff benefits the Community already offers to Greece have not been rescinded, the programme for their gradual extension has been frozen, and all financial aid has been withheld. In October of last year the European Commission reviewed the situation and decided that no changes had taken place in Greece to justify the association agreement being allowed to work again.

Both Théo Rasschaert, General Secretary of the European Confederation of Free Trade Unions in the Community, and Harm Buiter, General Secretary of the ICFTU had made representations to the Commission, urging it not to reactivate the agreement.

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