

TRADE UNION NEWS

from the European Community

No 10 Winter 1972

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THE COMMUNITY OF NINE

From January 1, 1973, Britain, Denmark and Ireland join the six present member countries to create a new and enlarged European Community. The new member countries have accepted the degree of integration which the Six have already achieved, subject only to transitional arrangements lasting for up to seven years in some policy fields. From now on, they will have a full say in working out all policy.

Commission

Firstly, Britain has two members, Denmark and Ireland one each, on the 13-man Commission which has the task of proposing policy. The members of the new Commission, who serve on a full-time basis for a four-year period, are:

- *Albert Borschette - former diplomat; Luxembourg.
- *Rolf Dahrendorf - former MP (Free Democrat); Germany.
- *Jean-François Deniau - former diplomat; France.
- *Finn Gundelach - former diplomat; Denmark.
- *Wilhelm Haferkamp - former trade union official (DGB);
Germany.
- Patrick Hillery - former minister (Fianna Fail);
Ireland.
- Pierre Lardinois - former minister (Catholic Party);
Netherlands.
- François-Xavier Ortoli - former minister (Gaullist);
France.
- *Carlo Scarascia-Mugnozza - former MP (Christian Democrat);
Italy.
- Henri Simonet - former minister (Socialist); Belgium.
- Sir Christopher Soames - former minister (Conservative)
and diplomat; United Kingdom.
- *Altiero Spinelli - former government adviser (Socialist);
Italy.
- George Thomson - former minister (Labour); United Kingdom.

(*served on retiring Commission)

In addition, the Commission is in the process of recruiting staff for the three new countries to join its civil service. These will be recruited partly from national civil services, but also from the unions, management, the universities, and so on. (The same applies to all the other institutions, though the members included are substantially smaller).

The Commission's main task is of course to work out and propose policies. It is then up to the Council of Ministers to accept or reject these proposals. If accepted, they become binding rules.

Council of Ministers

The Council represents the member governments, and each of the three new countries will send a minister to each meeting. It is not required that a government sends the same minister all

the time. In practice, it is of course the Ministers of Agriculture who attend when farming questions are on the agenda, or Ministers of Transport, Social Affairs, etc., as appropriate.

Each government also has a Permanent Representative, or Ambassador, to the Community. The Permanent Representatives, each backed by a staff of national (not Community) civil servants, go through all Commission proposals and try to work out agreement on the technical points before the Ministers arrive in Brussels to take the political decisions.

European Parliament

There are 36 places in the European Parliament for British MPs, and ten each for Danes and Irish. Each national parliament should send a delegation which reflects its own political composition. The Labour Party has now decided to postpone a decision on whether to send members - meaning in practice that no delegation will be sent at the moment, much to the regret of almost everyone in the other eight countries, and above all of the Socialists. The British Conservative and Liberal parties, and the Irish and Danish parliaments, will all be sending delegations.

The European Parliament meets for a week at a time, six to eight times per year, and the first session of the enlarged Parliament will be from January 15-19, in Strasbourg.

Court of Justice

The Community's Court of Justice has the task of interpreting Community treaties and regulations when they are contested so as to maintain the rule of law. From now on three new judges will sit on it, one from each of the new countries, making nine in all.

Economic and Social Committee

This is the advisory body which gives the unions, employers' associations and other bodies (farmer and consumer organizations, etc) a statutory right to be heard before major Community decisions are taken. Britain now has 24 seats and Denmark and Ireland nine each. The unions in each case will have one third of the places. At the time of writing the TUC had not yet decided whether to nominate delegates.

Other consultative bodies

There are many other committees of various sorts to which the new countries will be expected to send members. Some bring together senior officials from appropriate national government departments - such as the Monetary Committee, the Short and Medium-Term Economic Policy Committee, the Budgetary Committee,

the Transport Committee, the Nuclear Research Consultative Committee and the Management Committees for various agricultural commodities. There is also the important Committee of Central Bank Governors.

Finally there are various important consultative committees which bring together the two sides of industry. The ECSC Consultative Committee plays a similar rôle under the European Coal and Steel Community treaty to that of the Economic and Social Committee in the EEC. The Standing Committee on Employment brings together the two sides of industry and the Ministers of Employment of the nine countries to discuss and make proposals on employment policy. Then there are the Consultative Committee on Free Movement of Labour, the Administrative Committee on social security for migrant workers, the Social Fund Committee, plus advisory committees on occupational training and on social conditions in agriculture and in the different forms of transport.

So many committees may appear to create a cumbersome and unwieldy system in which decisions cannot be taken rapidly. To some extent this is certainly so. And it must be so, for the Community cannot proceed otherwise.

The various interested parties must be consulted so that their views can be taken into account even if it is a slow process. The Community can after all hope to succeed only if it can have the general support of its constituent parts.

SUMMIT CLEARS THE WAY FOR REGIONAL AND SOCIAL POLICIES

The October Summit of nine European heads of state or government has, in theory at least, given a powerful boost to moves to create proper Community regional and social policies, the lack of which has long been criticized by trade unions in the Common Market. Although their reactions to these proposals were on the whole positive, there was on the other hand great disappointment that references to reforming the institutions and strengthening the democratic powers of control of the European Parliament were so vague.

"vigorous action in the social field"

On social policy, leaders of the Nine "emphasized that they attached as much importance to vigorous action in the social field as to the achievement of the Economic and Monetary Union. They thought it essential to ensure the increasing involvement of labour and management in the economic and social decisions of the Community. They invited the Institutions, after consulting labour and management, to draw up, between now and January 1, 1974, a programme of action providing for concrete measures and the corresponding resources particularly in the framework of the Social Fund..." Aims of the programme should be a coordinated employment and vocational training policy, the improvement of working and living conditions, increasing worker involvement in the progress of their firms, the facilitation of moves towards European collective agreements, and the reinforcement of protection for European consumers.

Commenting later on this aspect of the Summit discussions, M. Albert Coppé, member of the Commission responsible for social affairs, declared that the Commission now had "all the factors required to prepare a European social policy action programme". In this sense, the Paris summit is a new departure of immense political significance, for it is the first time since the Rome Treaties themselves that the Community has attempted to define the vast range of tasks which confront it and at the same time sketch in the outlines of a programme for dealing with them.

In the wake of the summit, two major conferences have been announced to follow up some of the social leads. The first, scheduled for April 1973, meets the specific demand of the European Confederation of Free Trade Unions that there should be an immediate meeting between the Commission, governments, trade unions and employers to discuss the problems involved in a genuine European social policy action programme. The second, a complement to the April conference, will be a "seminar on the problems of migration", which the Commission plans to organize in May 1973. Announcing the conference, Coppé said that it would have two aims: "Firstly, to consider the problems currently involved in organizing the free movement of workers in such a way as to make it socially and humanly

acceptable in a multi-cultural community such as ours, and secondly, to stimulate general reflection on the motives and consequences of migration as a phenomenon linked with growth in our countries".

A Community regional policy

The second conference is also intimately linked with the question of regional policy. Up till now, as all the unions have at one time or another pointed out, free movement of labour has been taking labour to capital, rather than the other way round, thus accentuating regional imbalances. An important step towards righting the situation has now been taken with the Summit decision to create a Regional Development Fund, financed from the beginning of the second phase of Economic and Monetary Union (i.e. January 1, 1974) from the Community's own resources. The undertaking was also given to coordinate Member States' own regional policies.

There are at the moment four Commission proposals before the Council of Ministers in the field of regional policy:

- the use of the common farm fund to finance retraining and development in rural areas;
- the creation of the regional Development Fund, which the Summit agreed, to aid investors in depressed regions;
- the setting up of a standing committee on regional policy;
- the establishment of a regional development corporation to provide investors with technical assistance and the necessary flow of information.

Whilst it is already agreed in principle that the farm fund can be used in a regional policy context, there has been controversy over the Community's rôle in allocating resources. Should the fund simply be used to reimburse Member States for expenditure on their own projects, or should all regional problems be approached from the Community level and be subject to consultation with all Member States?

Little progress on institutions

On the institutional side, there are some grounds for satisfaction in the decision that the Economic and Social Committee should henceforth be able to take the initiative in giving its views, rather than having to wait, as in the past, for its opinions on a given subject to be requested. This is something which the European trade unions have long desired. On the other hand, despite the high-sounding words on democracy and participation, there is nothing concrete at all on direct elections for the European Parliament. At the same time, the Summit meeting did feel that "the decision-making procedures and the functioning of the institutions should be improved, in order to make them more effective"; and it called on governments and

institutions to reach a decision before the end of next year on the report which the Commission is to submit by May "on the measures relating to the distribution of competences and responsibilities among the Community institutions and Member States which are necessary to the proper functioning of an economic and monetary union".

WORKER PARTICIPATION IN THE EUROPEAN COMMUNITY

Earlier this year the European Commission put forward proposals for the harmonization of company law in the member countries these involve the adoption of an element of worker participation, based on German and Dutch practice. Here John Goss, Research Fellow at Sussex University, takes a general look at what is happening in this field in Britain's eight partner-countries in the European Community, as well as the Commission's proposals.

While there was much discussion and some legislation and experimentation prior to the second world war, the first widespread moves towards employee participation in management in the Communities took place in the years immediately after this war and largely resulted from its experience. Greater comradeship in the occupied countries between employer and trade union leaders, often together in the resistance, and the considerable success of joint production committees in the United Kingdom clearly indicated that some form of consultation in production areas could be mutually beneficial.

Works Councils

National legislation and collective agreements between the years 1946 and 1953 required production committees and works councils with consultative powers, usually over work conditions, safety, social and welfare matters, to be established in factories and workshops with more than a certain number of employees in most Community countries. Different circumstances in each country tended to lead to differences in approach. This was particularly so due to the relative status and power of trade unions, employers and national governments in industrial matters. In Denmark a tradition of cooperation had grown up between trade unions and employers throughout the century with the government only

stepping in to legislate where the social partners had previously agreed that legislation was necessary. The Danish position was enhanced by there being, for manual workers, only one national trade union organization as opposed to three in Holland, Belgium, France and Italy split between religious and political groups. West Germany equally gained an early advantage through the post-war efforts to build up a few strong trade unions affiliated to one confederation. It was hoped that such action would limit any opportunity powerful employers would have for any repetition of the misuse of economic power for military purposes before and during the second world war.

Belgium, Dutch and Danish works councils and committees consist of representatives from both employees and management whereas works councils in other Community countries consist of shop floor representatives only who meet management when this is required. Because of their trade unions' strength, and even though much of the time there was a socialist government, the Danes were content to set up their works councils through national collective bargaining agreements whereas the Six, with the exception of Italy, have all used legislation.

Production committees and works councils in the decade after the war tended to have very varied results and, on balance, apart from limited successes in a few firms, tended to be considered by both workers and trade unions as inadequate to satisfy their needs for effective participation in managements' decisions. This situation developed due to a number of factors:- the model of what was effective during and in the immediate post war years became somewhat dated as the period passed and a more educated and determined workforce came into employment; limitations on subjects that could be discussed and little decision-making power even in these limited areas contributed to a lack of influence that tended to make many workers and trade unions search for alternative means of exercising influence in the firm. Employers tended to see such councils and committees as more pliable alternatives to direct trade union representation in their factories; trade unions and employers (when forced to) often by-passed them, dealing with each other directly on any matters of importance, particularly wages, through a system of collective bargaining. Furthermore, legal obligations to establish works councils in small firms with a few employees were often considered unnecessary by both workers and management and therefore ignored.

Relations between works councils and unions

The result of this situation was that with the possible exception of Germany, trade unions in the Communities tended to concentrate efforts to improve their members position through political and industrial action and collective

bargaining agreements and only gradually during the 1960s began to seek increased participation at plant level. This change of emphasis aimed at trying to establish and strengthen trade union representation in the plant and in the works councils and then, with representation firmly established, to increase the power of such councils.

Success was obtained both through legislation and national and local collective bargaining agreements, or a combination of both. For example in Luxembourg between 1958 and 1962 in a series of collective agreements employers conceded that workers delegations would be formed through elections from trade union lists of candidates only. A similar agreement was reached in Italy in 1966 for Internal Commissions in factories and in the same year in France, where the first list of candidates for office had to consist of trade union members only. The position is different in Germany and Holland where legislation still requires works councils to be elected by all the workers in a plant with any group of workers entitled to submit a list. However in Denmark while all workers may vote and stand as candidates, shop stewards are ex officio members of the works council; and in Germany from 1971 when a works council is first elected trade unions have the right to submit a list of candidates. In Ireland election procedures for a works council depend on local agreements between firm and trade union or firm and non-union representatives of its employees.

Attempts to strengthen the position of trade unions at plant level have led to union pressure for some sort of formal recognition for trade union delegates in each firm. This has in fact been achieved in 1968 in France where legislation recognized and gave the right to establish a trade union section within a company; in Germany in 1969, where although recognition was given, this was "regarded as an internal trade union matter", and in 1970 in Italy where legislation gave very limited recognition of trade union representatives in companies. In Denmark trade unions, as such, have always been recognized within the firm, but for collective bargaining as opposed to consultative purposes only; while in Holland and Belgium this year negotiations are taking place between employers and trade unions for some sort of recognition within the plant. So there is now growing up in every country of the Community a dual and overlapping system of participation at plant level with trade union and works council representatives who may or may not be the same person, exercising certain powers of consultation and codetermination as a result of both legislation and collective bargains that have slowly eroded management prerogatives.

Trade union assessment of works councils depends on whether they have been able to satisfactorily increase their powers in the last two or three years through national legislation or agreement and on whether they are effectively controlled by their members at the plant level. The Germans have considerably improved the powers and administration of their works councils through the Works Constitution Act of January 1972 which is based on the principle of a division of tasks between trade

unions and works councils. In particular these rights include the setting up of a properly qualified Finance Committee who the employer has to inform in full and in good time of the financial affairs of the company and supply relevant documentation; representation for young people and disabled employees in the company; rights of codetermination on social matters especially where redundancy is present and most important the opportunity of appeal to a conciliation committee where matters are in dispute or the Labour Courts on questions of law.

The Dutch have also extended the competence of works councils in their 1971 Act, the most important power given being the right of veto of shareholders nominations to a company's supervisory board, from 1973, while Belgium trade unions obtained, through a new national agreement in 1970, increased powers for enterprise councils including the obligation on the part of employers to provide information on financial and economic matters.

In Italy, the 1970 "Workers Statute" which enables Italian trade unions to organize in each company has assisted their programme for the formation of works councils consisting of shop stewards and representatives of the existing "internal commissions". Their aim is to gradually phase out the consultative "internal commissions", replacing them with a much strengthened works council with plant negotiating rights.

The Danish National Cooperative Agreement of 1970 strengthened works councils by giving powers of co-determination on the organization of work, safety, welfare and personnel matters and powers of "co-influence" in such matters as the day to day policies for controlling production. An important addition in Denmark was the strengthening of activities of the joint Employer/Trade Union Cooperation Council at the National level which was empowered to assist with dissemination of information, training, advice and experimentation on employee participation throughout the country.

The remaining countries, France, Ireland and Luxembourg, have not yet made any major moves, though the Irish Employer/Labour Conference has been empowered for the last two years to reach agreement on employee participation. French employee dissatisfaction with recent legislation of 1966, which initially raised high hopes, is increasing fast.

Such is the broad position with regard to the current powers and position of works councils but progress is equally dependant on adequate job protection for representatives and time being allowed for proper fulfilment of their duties and training.

Shop-stewards' rights

Trade unionists in every country of the Community have been quite successful in obtaining protection against dismissal for both trade union and works council members and representatives. This has been achieved, with the exception of Ireland, in a number of ways. In Belgium, Italy, Denmark and the Netherlands collective agreements stipulate that no dismissal is possible without the consent of the trade union concerned. In France, consent of the Labour Inspector is required, while in Germany and Luxembourg that of the Works Council, with a final appeal to the Labour Court in Germany.

The need for adequate time to be available to representatives during working hours both adequately to fulfil their duties and for training is a firm trade union demand which has only been to some extent satisfied to date. Such time as is given by employers is by local agreement in the Netherlands, Ireland, Italy and Denmark, though in France and Germany legislation gives allowances in great detail according to the number of employees in each company. In addition, German legislation specifically allows three additional weeks every three years for training of each works council representative. Luxembourg only allows representatives one meeting each month, plus full time for the chairman and secretary of the workers' delegation where there are more than 1,000 employees in a company; while a current draft collective agreement for Belgium is proposing 20 man-hours off each month in firms with 124 workers rising to 600 for 7,000 workers.

Participation at Board level

Increased employee participation at the works council level has stimulated demands both upwards and downwards in the company, upwards to board level and downwards to each working group. The stimulus at board level has been generated by German legislation of 1951 and 1952 which requires a third (fifty per cent in coal and steel companies plus a neutral chairman) of the members of the supervisory board to be elected by the employees of the company. This sharing in company policy making is viewed with concern by some trade unions, particularly in France and Italy, where it is felt that workers representatives should have no part in the control of a company although in France since 1966 two employees representatives may attend supervisory board meetings in an advisory capacity. However there is a growing recognition of the power that such representation gives, particularly with respect to the acquisition of economic and financial information concerning the whole status and future of a company.

The impetus to follow the German example has recently come from Scandinavia, and the Danish Trade Unions are now claiming a third representation in supervisory boards of companies. Similar proposals are also being considered in Belgium and Luxembourg. The Dutch however have decided on a compromise

arrangement whereby both the works council and the shareholders can co-opt person to the supervisory board from outside their own numbers and veto each other's co-options as necessary. Where there has been experience of employees as members of supervisory boards it is recognized that certain conflicts of interest can arise from time between a man's responsibility as a member of a board and as an employee representative. More precise terms of reference will no doubt develop in time to guide such representatives but on balance it is considered that these problems do not weigh sufficiently against the need for employees to have some share in the control of a company particularly at the policy level.

Capital sharing

Trade Union thinking on the subject of control of companies has in the past few years led to consideration as to ways in which rights of ownership and capital can be shared among the employees. In France legislation introduced in 1967 made workers participation in profit sharing obligatory in firms with over 100 employees. This scheme is considered unsatisfactory by French trade unions for it affords no change in any way in the control of companies involved. The Danish unions have in the last two years made proposals for a capital fund into which all employees would contribute a gradually increasing percentage of their wages over the years. It is intended that, as this capital fund grows in each company in proportion to the working capital of the company, so would the ownership of the company move from the shareholders to the employees. This scheme is being watched with great interest, particularly in Germany, and in the United Kingdom. In Denmark it is quite likely to be implemented in some form during 1973.

Improvements in the style and method of working on the shop floor within the basic work group have started to necessitate the close involvement of employees concerned. This is particularly so where such techniques as job enlargement, work structuring and autonomous work groups have been attempted. Much of the experimental thinking on these techniques originated in Norway but is now spreading through Sweden and Denmark into other countries of the Community. The basis of such techniques, much of which have stemmed from experimental work of social scientists, is to involve completely employees in planning a more effective way to organize their own work. The most interesting developments are those where autonomous work groups have been set up, which as the terms indicates, involves a group of employees becoming completely responsible for their own internal work through a phased plan. Management would withdraw to the periphery where they provide the necessary links to other such groups and outside contacts.

Commission proposals

Interest in employee participation in Britain has been roused with the Commission's recent proposal for a directive on the harmonization of company law. Their proposal to the Council of Ministers is that national company law in member states should be harmonized to allow one of the two methods of employee representation on the boards of all public companies with more than 500 employees. The idea of a supervisory board which is separate from and responsible for appointing the management board of a company is not formally practiced in this country, although it can best be compared with the practice of appointing executive and non-executive directors here. It is proposed that management board members will be appointed and responsible to the supervisory board and serve for a period not exceeding 6 years. They will be responsible for providing a report at least every three months to the supervisory board on the progress of the company and also for submitting annual accounts and providing such special reports on the company's affairs as the supervisory board may require. The supervisory board's agreement must be obtained by the management board prior to any decisions being taken with respect to the closure or transfer of an undertaking or important parts of it.

It is proposed that employee membership of the supervisory board will be effected in one of two ways: either at least a third of the members would be appointed by the employees of the company or their representatives; or all members would be co-opted jointly by the shareholders general meeting and workers representatives with each body having the ability to oppose the appointment of any candidate proposed. These two ways reflect the present German and future Dutch systems of appointment mentioned earlier in this article.

These ideas for harmonization of national company law are only in fact an extension of earlier Commission proposals contained in the proposed statute for a European company. This draft statute which is now being considered by the European Parliament and the Economic and Social Committee was first published in 1970. It proposes that certain companies which operate in more than one Community country should have "European" legal statute; and that they should have both works councils at the European company level and employee participation in a supervisory board. The intention is that this Statute takes account of the dual relationships an employee has with his company, both as a worker on a job and as someone whose interests need to be taken into account when decisions are made in the company. It is hoped that the system of representation proposed will ensure that the interests of employees will be considered when conditions of work in a company which has operations in several countries of the Community are under review, and that it will also allow close collaboration between the management and representatives in the undertaking. The functions and powers of a European company works council are spread between those instances where the management board must provide information, those where consultation must take place, and those where the works council's agreement is necessary. The works council should

be informed of all matters of general economic interest concerning the enterprise including future plans and investments. Rules relating to recruitment, promotion, dismissal of employees, vocational training, terms and rates of remuneration, safety, hours of work, time and commencement, and holidays may only be made with agreement of the works council. Consultation must take place before management take any decision concerning job evaluation, wage and piece work rates, closure, transfer, curtailment or extension of any activities or plants or substantial organizational changes. The works council may also make collective agreements with the board of management which would be binding on subsidiary companies at the national level. Failure on the part of management to involve the works council at the right moment in the appropriate way would render management decisions void.

In the company law draft employee representatives on the supervisory board would be appointed in the ratio of one to every two shareholder appointees. In addition one third of employee representatives should be persons from outside the company as opposed to being employees (which would mean in practice, trade union officials). The powers of the supervisory board in the draft company statute are similar to those now proposed by the Commission for companies at the national level.

Looking to the future one can foresee increased participation of employees taking place on a broad front at all levels of the company under a full umbrella of harmonization agreed at Community level, though advances will be made in different ways at different times, and cross fertilization of ideas and practice between member states will clearly increase.

● German trade unionist is new head of Economic and Social Committee

The Economic and Social Committee has elected Alfons Lappas, a German trade unionist, to succeed the Dutchman John Kuypers as its Chairman for the next two years. Lappas, 43, is a member of the executive board of the DGB - the German TUC.

In his inaugural speech, Lappas gave notice that he intends to press for a more vigorous Community social policy; in particular, he stressed that the Economic and Social Committee should not be restricted to giving opinions after the event but should have powers to take initiatives.

Commenting on the free movement of labour within the Community, Lappas said that it had not yet brought a qualitative improvement of employment or greater social equality to workers in less developed areas. These aims, he emphasized, could only be achieved by a common social policy.

The Economic and Social Committee's new Vice-Presidents are Alberto Masprone, an Italian employer delegate, and the Frenchman Henri Canonge, representing the miscellaneous activities group.

● Fifth session of the Standing Employment Committee

The Italian memorandum on employment in the Community, collective dismissals and new Commission proposals for Social Fund grants to textile and agricultural workers were the three items discussed in detail at the fifth session of the Standing Employment Committee on October 26, 1972.

At the start of the session, M. Albert Coppé, representing the Commission, made particular reference to the Paris summit earlier that month; the Commission was especially pleased, he said, with commitments made in the social field. The programme agreed at the meeting laid down the guidelines for a coordinated employment and vocational training policy, better working and living conditions, more participation by the workers in the running of their firms, and strengthened measures on behalf of European consumers. M. Coppé was also particularly happy that the final communiqué had made explicit mention of the importance of smoothing the way towards Europe-wide collective agreements in some fields - this, he said, was one of the overriding priorities of the Commission's social programme. He added that the Commission was taking immediate steps to enlist the help of both sides of industry in working out just how this programme should be put into effect.

The Committee then went on to discuss the guidelines adopted by the Council of Ministers on the Italian government's

memorandum on employment policy in the Community. Suggestions put forward concerned ways of eliminating structural imbalances in the labour market - in particular by means of a regional development policy coupled with measures aimed at achieving the gradual integration of labour markets and the promotion of geographical and occupational mobility. In this context, M. Coppel stressed the importance of programmes of assisted migration and vocational training carried out with the help of the remodelled European Social Fund.

On collective dismissals, there was fairly general agreement on the need for rapid progress towards a definite Community directive. It was also agreed that the Community element in the directive should be stressed, and could be complemented by measures at the national level. This consensus was that workers should be consulted in advance on any plan involving collective dismissals, and that authorization by the public authorities should be required.

The third item discussed was the Commission's proposals for extending the coverage of the European Social Fund to workers leaving agriculture and those caught up in the readaptation of the textile and clothing sector to a new capital-intensive age. There was general agreement on the agricultural side of the Commission proposals, which aim to help those leaving farming to take up new jobs under good conditions, if possible after acquiring new skills. (On present estimates, more than 1,800,000 Community farmworkers will leave the land over the next decade.) Six months' financial aid might be necessary, the Commission thinks, to enable requalified ex-farmworkers to find new employment.

The Commission is also suggesting financial aid for workers leaving the textile industry, with the added proposal that workers should be encouraged to get qualifications to meet the requirements of their present work. Workers should also be allowed to retrain for self-employed occupations, the Commission suggests. At the Employment Committee meeting, however, these proposals were strongly opposed by the textile and clothing trade unions, which maintained that they could not support such measures in the absence of an overall policy for industry as a whole.

● Commission proposes directive on mass dismissals

Considering that the considerable differences which exist at present between the regulations in force in the Community Member States concerning mass dismissals are harmful to social progress and balanced development within the Community, the Commission in November submitted to the Council of Ministers a draft directive for harmonizing national laws on this subject.

In making this proposal, the Commission stresses that it is not calling into question the autonomy of the two sides of industry, but simply sets the goals which unions and employers will have the job of achieving in their own way.

The proposed directive comprises seven Articles.

Article 1 lays down that any intention on the part of an employer to dismiss 10 or more workers must, irrespective of the individual conduct of the workers in question, be notified to the public authority.

Article 2 stipulates that the dismissals should take effect a month after being notified unless the public authority decides differently. The authority may extend this interval, which it may use to seek solutions to the particular problems involved, by notification to the employers involved.

Article 3 says that the authority can oppose some or all of the dismissals if the employers' reasons for them are untrue.

Article 4 regulates the procedure for consultation with the representatives of the workers of the undertaking concerned, whilst Article 5 commits states to alter their legislation within 6 months. The last two Articles also concern the implementation of the directive.

The Council has now set the procedural wheels in motion, and the draft will be discussed in the Economic and Social Committee and the Standing Employment Committee.

● Commission proposes aids for young unemployed

Unemployment among young people is giving rise to considerable concern in some parts of the Community. In a written reply to a recent question in the European Parliament, the Commission estimates that whilst only 0.5 % and 1.5 % of German and Belgian young people between the ages of 14 and 19 are out of work, the equivalent figure in France is 5.6 % and in Italy a massive 10.2 %. Italians in the 20-24 age group do not fare much better: 7.7 % of them are jobless, compared with 3.1 % in France, 1.3 % in Belgium and 0.4 % in Germany (figures for the Netherlands are not available).

To improve the situation, the European Commission has suggested several measures:

- More adult education centres, including facilities for the handicapped;
 - the inclusion of training periods in industry in the last year of secondary education;
-

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- the establishment of special youth sections in employment services;
 - legislation to improve the job security of the young;
 - help for young migrant workers looking for housing;
 - financial aid to young unemployed persons seeking first jobs.

The Commission adds that it is ready to join with national authorities in examining the most urgent and important problems in this field to see whether Community action is appropriate.

● Commission initiative on pollutants

An international conference in 1973 to sum up recent progress in evaluating the health implications of ambient pollutants was announced in October by M. Albert Coppé, the Commission member in charge of social affairs. M. Coppé was speaking at the opening of an international symposium in Amsterdam on health problems posed by the lead present in the environment, organized jointly by the European Commission and the United States Agency for the Protection of the Environment.

M. Coppé underlined that the problems associated with lead were significant because they knew no frontiers: "lead can be found deposited on the ground at considerable distances from its sources of emission". The difficulty in formulating policies to reduce pollution was not just that such policies had to be global: there was also the "ticklish angle" of determining safe limits for pollutants in the environment for the population at large, which included particularly sensitive groups like young children, expectant mothers and old people.

The particular question of lead was further complicated by the fact that its industrial and chemical uses were so varied. As an example, M. Coppé cited recent concern over lead compounds found in the exhaust gases of motor vehicles. As a consequence of this concern, Coppé said, the Commission had been led to "concentrate on the probable consequences for health of a reduction of lead additives in petrol. It emerged that this aspect of the problem was neither simple nor well explored." The Commission therefore had to make a start by harmonizing measurement techniques so that results from different countries were comparable; only then could they begin making health evaluations.

Recalling the action programme to protect the environment submitted by the Commission last year, M. Coppé stressed the Commission's aim of ensuring a pooling of all the relevant ideas. The action programme, Coppé went on, "also includes

measures of an economic or technological nature which ... could find their place in the quest for ... adequate solutions. But I believe that the thing which gives this programme a particular accent is the fact that it includes a social and health aspect which is based on the search for a better quality of life and that, in the process which should lead to the necessary decisions to combat pollution, the biologists and those responsible for health should be able to make their voice heard."

● New deal for migrant workers

The Council of Ministers has accepted a proposal from the European Commission to carry out a survey of the working and living conditions of migrant workers. And at the same time, in other moves to improve the status of migrants, the Commission is advocating a blitz on slum housing and is proposing that self-employed migrants should have the right to retire in the host country. The Community Court of Justice has ruled that a migrant who is a national of one of the Member States qualifies for a pension from the host country irrespective of the existence or not of bilateral agreements with his country of origin. And new social security provisions for migrant workers came into force on October 1.

The survey is part of a new programme to help maintain full employment and ensure better manpower utilization. It follows extensive criticism by Italy of Community employment policies, and one of its prime aims will be to discover why unemployed workers in the EEC countries, particularly Italy, are not taking advantage of job vacancies elsewhere in the Community. Another result should be to guarantee foreign workers equal treatment with EEC nationals.

The Commission's call for better lodgings for migrants is based on an analysis of reports submitted by Member States of what they did for housing foreign workers in 1969 and 1970. The Commission says that conditions in this area are still bad and that a great effort to improve matters needs to be made. Accommodation for migrants, says the Commission, is often scarce, substandard and extremely expensive; lack of housing means that immigrant families are frequently forced to live apart in segregated dormitories.

The Commission is also suggesting that self-employed workers who have worked for at least a year and resided at least three years in a Member State other than their own should be allowed to stay there after they retire. The three-year minimum would be reduced to two years where illness or an accident forced a person to quit his job. After the self-employed person died his family would still be allowed to

remain in the host country. The proposal seeks to extend to the self-employed the provisions for wage-earners which were introduced under a regulation adopted in June 1970.

The Community Court of Justice ruling involved an Italian woman resident in Belgium who was refused the "guaranteed income" granted to Belgian pensioners despite having been employed in the country. The Court's decision establishes the host country's obligation to pay such a pension.

At the same time, new legislation on the social security provisions affecting migrant workers came into force on October 1. Previously, social benefits paid to workers living in another Member State were to some extent dependent on legislation in force in their own country. Now, whether it is a question of health or disablement insurance, accident cover or unemployment benefits, the migrant worker is legally speaking on an equal footing with nationals.

One of the features of the new legislation involves the totalisation of insurance and employment periods for benefit purposes - a provision which is particularly important for workers having been employed in several different countries. Another section provides for the "export" of benefits, so that family allowances paid in respect of an Italian working in Belgium, for example, would also be paid for his children in Italy.

A new tripartite Consultative Committee for Social Security has been set up to deal with problems arising from the new rules, which will initially affect more than 2 million people.

● Price differences between the Six

Consumer prices in the European Community have conspicuously failed to reach the level of adjustment which one might reasonably have expected in view of the 14 years the EEC has been in existence. The EEC authorities have long been trying to align production and marketing conditions as much as possible throughout the Community by adopting a stricter competition policy, doing away with technical barriers to trade, harmonizing legislation and working out a common industrial policy. However, all the measures taken so far have failed to level out the discrepancies, some of which are considerable. The average difference in the consumer prices of foodstuffs within the Community is 50.9 %, for example; the gap is 99 % in the case of the net purchase prices paid by the distributors. Not surprisingly, profit margins on food vary a lot as well: the lowest is 18.62 % (in Italy); the highest is 30.84 %.

The Commission has now had a study carried out into the reasons for these differences. The investigation covered prices found in 1968 for 35 brand products put on the market by leading manufacturers of foodstuffs, household electrical appliances, radios, tape recorders and photographic goods.

The results of the enquiry (conducted among manufacturers, wholesalers and retailers) show in general that the price differences noted in the six countries can be traced back mainly to decisions taken by the manufacturers and only in part to variations in the level of profit margins and taxes. And manufacturers selling prices sometimes differed more than final prices to consumers. For example, divergences between manufacturers' prices for cameras amounted to some 40 %, including taxes, whilst there were differences of only 24 % between the most expensive and inexpensive countries with regard to retail prices. Wholesalers in the cheapest country pay 67 % less for cognac than those in the most expensive country, while consumer prices for the drink differ by only 46 %. In the case of washing machines, radios and tape recorders, on the other hand, consumer prices showed a much wider divergence than those at the wholesale stage.

The study suggests that manufacturers pursue specific price policies for each EEC country, adapting their prices to the varying market and competitive conditions which happen to obtain there. That these price policies are often highly arbitrary and not necessarily the consequence of economic conditions can be judged from the fact that in many cases prices in the country of origin are not particularly favourable, nor are they particularly unfavourable in countries which do not manufacture such a product themselves.

Prices are not highest in the countries with the biggest retail profit margins: a well-organized distributions system is able to obtain more favourable terms and charge fairly low prices while making higher profits than a badly-run network.

The study concludes that there will continue to be marked price differences from one country to another for some time ahead - at least as long as there are wide divergences between trade and competition conditions, and as long as price levels depend on the whim and marketing policies of manufacturers.

● Manpower in the EEC - statistical survey

In spring 1971, the Six's workforce totalled 71,700,000 - nearing the manpower potential of the United States. After enlargement of the Community, the European figure will overtake the American by a long way. The European jobless rate - about 1.5 % of the working population - compares with 5 % in the United States.

However, that 1.5 % is not evenly spread around the Community. In spite of provisions for the free movement of labour, variations between the Six are enormous: of the 1,100,000 unemployed in the Community, no less than 49 % were in Italy, 36 % in France, 9 % in the Benelux countries and 6 % in Germany. About 45 % of the jobless are young people under the age of 24, despite the fact that for various reasons the total number of young people in the job market is falling.

Of every 100 occupied persons in the Six, only 20 are self-employed. Most of the jobs are in industry (45 %); services account for 43 % and farming 12 %.

The average age of the Community worker is 38 for men and 35 for women, with slight variations from country to country. For all workers, and especially women, the average age indicates a longer working life in services than in industry, which may reflect more advanced vocational qualifications and more interest in making career in the services sector.

These are some of the figures contained in Social Statistics No. 3 - 1972, the latest of the Community's sample surveys on manpower, carried out every year since 1968.

● European unions confer on multinationals

The effects of the proposed European company law, imposing a certain amount of worker participation in management and access to company information, on trade union bargaining power vis-à-vis the multinational companies was one of the central topics at a trade union study conference held in Brussels on October 18 and 19. Participants stressed the need for the trade unions to create an effective counterbalance to the power of the multinationals in order to protect workers' interests across national boundaries. The conference was held under the auspices of the European Confederation of Free Trade Unions.

● European clerical workers link

Rationalization measures, mergers, multinational companies and new techniques affect white-collar workers as well as the factory floor. These are some of the important problems to be dealt with in the action programme of the new European organization of FIET, the clerical workers' international trade union federation. Founded on November 7 and 8 in Copenhagen, EURO-FIET will initially comprise 33 individual unions from 16 countries.

● International trade union action prevents AKZO dismissals

Joint action by chemical workers' trade unions in the Netherlands, Belgium and Germany, coordinated by the International Federation of Chemical and General Workers' Unions (ICF), has obliged AKZO, the multinational chemical firm, to reconsider its decision to close down three of its plants and dismiss around 6,000 workers. Measures to fight the proposed factory closures - in the Dutch town of Breda, at Wuppertal in Germany, and Ghent in Belgium - culminated in a factory occupation at Breda, where AKZO owns an Enka plant, on September 18. The occupation was supported by a brief solidarity strike at Wuppertal, and the ICF called on AKZO workers in 12 countries to put a ban on subsequent overtime. After four days of the Breda occupation - the first in Dutch trade union history - AKZO agreed to rethink its dismissal and closure plans.

● German/Italian metalworkers meet

After Philips, Fokker, Fiat/Citroen, and Airbus/Concorde, the European metalworkers are coordinating their policies across national frontiers to deal with growing cooperation between AEG/Telefunken and Zanussi, the German and Italian electrical appliance manufacturers.

At the invitation of the European Metalworkers' Federation, a first meeting between the German and Italian trade unions concerned took place in Frankfurt in September. The main aim of the meeting was to discuss effects on workers of the holding taken by the German firm (165,000 workers) in Zanussi, which has a workforce of 30,000, and to work out a joint approach to collective bargaining problems within the multinationals.

One firm agreement was that in case of a strike in either country, overtime would be banned in the other. The transfer of production would also be opposed. The German metalworkers' union, IG Metall, further agreed to help Zanussi workers in

their current attempts to improve job security.

There will be a further meeting of the union working party in spring next year to consider wages and working conditions.

Meanwhile, the EMF itself has been meeting metalworkers' leaders from the new Member States of the EEC for exchanges of view on problems raised by the enlargement of the Community.

● Dutch NVV debates unity at home and in Europe

Trade union unity in the Netherlands and Europe as a whole were two of the major preoccupations at the congress of the Dutch Trade Union Federation NVV, which took place in Breda on September 22. On the domestic front, representatives of the 621,000 membership of the NVV, which is socialist-orientated, decided to press forward with plans to merge with the two Christian federations at national level, the NKV and the CNV. Talks with the former are already well advanced, and a two-way merger, giving a total of over a million members, is expected to take place early in 1973.

On the question of future European trade union structures, the NVV (which belongs to the socialist International Confederation of Free Trade Unions) was broadly in favour of unity with the European Organization of the (ex-Christian) World Confederation of Labour; but President Harry ter Heide (who resigned at the end of October) was doubtful whether difficulties among other European affiliates of the ICFTU would allow such unity in the short term. Speaking at the congress, ICFTU general secretary Otto Kersten emphasized the vital need for the Europeans to continue playing an active rôle in the world trade union movement and not shut themselves up in European separatism. "The relation between the future European Confederation of Free Trade Unions and the ICFTU," Kersten said, "must become a synthesis of the competences of each, based on a division of tasks. The European Confederation would primarily deal with the problems arising from European integration, while general political problems ... remain in the competence of the ICFTU. Evidently, the links between (the two organizations) should be as close as possible, and the coordination between them carefully defined."

● Workers to be admitted to European Conference of Posts and Telecommunications

The 7th General Assembly of the European Conference of Posts and Telecommunications (CEPT), which met at the Hague in September, has decided to set up a working party to examine the possibility of admitting workers' organizations to their debates. The organizations involved are the Postal, Telegraph and Telephone International (PTTI), and the European Public Service Federation of the World Confederation of Labour. The working party will report back to the next CEPT General Assembly; the indications are "favourable" that union representation will be accepted in the most important organ of collaboration between European postal and telecommunications administrations.

● Danish trade unionist becomes Prime Minister

The new Danish Prime Minister, Anker Joergensen, is one of the country's leading trade unionists. At the time of his appointment at the beginning of October, Joergensen was President of the Danish General Workers' Union (with 250,000 members the largest single trade union in Denmark), and a member of the executive of the national trade union federation LO. Joergensen, age 50, started his trade union career in 1947 as a shop steward and edited the union's paper before becoming President in 1968.

● Anglo-German foundation to study industry problems

An Anglo-German foundation is to be set up to study some of the problems of modern industrial society, Dr Heinemann, the West German President, announced in London in October. To be financed for the first five years by West Germany, the foundation will have its headquarters in London and a smaller branch in Germany. Mr Victor Feather, General Secretary of the TUC, and Sir David Barran, chairman of Shell, are among those who have agreed to serve on the board of trustees. The aims of the foundation will be to exchange information on such industrial problems as organization in industry, the quality of life, working conditions, education, safety regulations and difficulties arising from the employment of foreign workers. Exchange visits to each country will be made by representatives of all concerned in industry.

● Communist unions call for united labour front in EEC

Meeting in Rome at the end of September, the powerful French and Italian communist-led trade union federations, the CGT and the CGIL, issued a strong appeal for trade union unity in the countries of the Common Market. The two federations consider that the enlargement of the Community, and the involvement in its affairs of important union organizations in Scandinavia and Great Britain, brings with it an opportunity for "reinforcing the presence and efficiency of the trade union organizations within the Community institutions"; they therefore hope that new forms of cooperation and coordination will be found. The CGT and CGIL also call for the urgent convocation of a European trade union conference, open to all representative labour organizations.

● Socialist views on European development

In a statement issued before the October summit, the Liaison Bureau of the socialist parties of the European Community and of the Socialist Group in the European Parliament lists its priorities for the new Europe of Nine.

The first is the elaboration of a common foreign policy, including priority for the developing countries, a united front in trade negotiations, and an active rôle in the general relaxation of tension between east and west.

The second urgent need is for real Community policies in economic, monetary, regional, social and environmental affairs. On the social front, what is required is "a policy orientated towards a new distribution of all wages and income, including incomes from the liberal professions and from wealth, and towards guaranteed employment and harmonized social security. These social policy objectives must be embodied in a 'European social budget', to be worked out and applied with the active collaboration of the two sides of industry."

Thirdly, the principle of parallelism between the two aspects of economic and monetary union must be expressly maintained, and the Community "must obtain political organs equipped with powers of legislation and control at the European level, whilst a power of central control is vested in the European Parliament." The socialist parties deplore the delay in achieving a really democratic Community and consider that democratization is an essential pre-condition of European union; they wanted the summit to fix a firm date for the election of the European Parliament by universal suffrage.

The European Commission, in the composition of which the Parliament should have a decisive say, should function as an independent centre of decision and take over the weight of decision-making from the Council of Ministers. The latter should be enabled to take decisions more swiftly and effectively by speeding up procedures for the transmission of Commission proposals and by making a vote in the Council the general rule.

Parliament's agreement should be obtained for the nomination of the president of the European Commission.

Lastly, any institution set up to reinforce European political cooperation should be located in Brussels with the existing Community Headquarters.