

TRADE UNION NEWS

from the European Community

No 16 Winter 1975

TRADE UNION NEWS

from the European Community

No.16 Winter 1975

Contents

	Page
Editorial — Trade Unions and the Community — The Same Aims	
Regional Fund Finally Activated	1
Tripartite Conference Recognizes Employment Crisis	3
Standing Committee on Employment	5
More Progress on Social Policy	6
Britain Gains from Community Grants and Loans	9
Social Budget Shows UK Lagging Behind	13
Community Increases Pressure for Women's Rights	16
The Economic Situation in the Community — 1975	18
 Notes	
Commission wants to Help Migrant Workers	20
TUC General Secretary speaks about the Community	20
ETUC talks with the French C.G.T.	21
National Council of Social Service Increases its Interest in Europe	21
 Community Institutions — The European Commission	22—27
Book Review — <i>Your Questions Answered</i>	28&29
Appendices — I Social Benefits by Function	30
II Composition of ETUC Executive Committee	31
III Hourly Gross Earnings — October 1973	32



Published by

Commission of the European Communities

20 Kensington Palace Gardens London W8 4QQ

Telephone: 01-727 8090

Information Office

TRADE UNIONS AND THE COMMUNITY — THE SAME AIMS?

Trade union views on the European Communities have been influenced since the first Community — the European Coal and Steel Community (ECSC) — was created in 1951. Generally speaking the ECSC was welcomed by the trade unions involved. A Belgian trade union leader Paul Finet was a member of the High Authority, the executive of the ECSC, and the trade unions were involved in the powerful ECSC Consultative Committee which advised the High Authority. The ECSC had avowedly social purposes. Money was to be made available for paying workers when they were retraining for new jobs; for various resettlement grants, for investment to provide new jobs in declining coal and steel areas, and for improving the housing of miners and steel-workers.

Since the early days of the ECSC and the other Communities, the EEC and Euratom-European trade unions have stressed the need to bring the *social purposes* of the Community to the forefront of its activity. They have also urged a greater degree of democracy in the Community and more active participation by trade unions in the development of Community policies. They have, of course, not been satisfied with what has been done and have continued to pressurize the Community institutions, particularly the Commission, with whom they have close links.

How then has the Community reacted to the views and representations of trade unions? 'Trade Union News' has, since it was first issued, tried to give prominence to what is happening in the field of Community social policies and in trade unions' own views on what should be done in these areas. This issue of TUN contains further evidence of the new dedication of the Community efforts to fulfil *social purposes*, and to more closely involve the *trade unions* in the working out of policies to deal with unemployment, inflation, and associated social problems.

The *Tripartite Conference* between trade unions, employers, employment ministers, and the Commission, and the subsequent meeting of the *Standing Committee on Employment* have shown both the urgency of the economic and social problems facing workers and their families in Community countries and the desire of the Community governments and institutions to tackle these problems *in co-operation with trade unions* and employers.

The *Social Fund* has expanded in size to an estimated £150m in 1975 from the less than £100m in 1973. A coherent *employment policy* is now emerging; the *Regional Fund* (£550m over 3 years) has been set up and will be operating by the middle of 1975; various social measures have been agreed, concerned either with *protecting workers rights* (eg protection in case of mass dismissals; protection of workers rights when mergers take place), or with *improving working and living conditions* (eg safety and health; humanisation of work), or with *assisting disadvantaged groups* such as women, handicapped and migrant workers; and a *housing policy* and a *policy towards eliminating poverty* are being developed.

It is true that the kind of comprehensive social policies now emerging were not there in the early stages of the development of the Community. That these are now present, and are developing rapidly under the stimulus of trade unions and other progressive forces within the Community countries, cannot be denied. The achievement of the *social purposes* of the Community is now the *primary objective* of all Community policies, including those not specifically falling under the heading of social policy. To suggest that this is not so is to ignore what is currently happening in the Community and what can plainly be seen in the actions and activities of the Commission and the Council of Ministers over the past two to three years.

Michael Lloyd (Ed.)

REGIONAL FUND FINALLY ACTIVATED

In December the Paris Summit approved the establishment of a Regional Development Fund of 1,300 mn. u.a. (£1 = 2.4 u.a.'s) to be shared among the poorer regions of the Community over the next 3 years. The leaders decided that 300 mn. u.a. will be spent next year, and 500 mn. u.a. in each of the succeeding 2 years. Britain's share will be 28%. Since her budgetary contribution to the Fund is currently 15% this will give her a net benefit of 13%. After the Summit, Mr. George Thomson, Commissioner responsible for regional policy, expressed his satisfaction at the meeting's decision concerning the Regional Development Fund. He said "The Heads of Government have in fact closely followed the compromise proposals put forward by the European Commission this year. Although the Fund is relatively modest in size, it will be able to bring practical benefits to the most deprived regions of Europe as early as 1975. More important, it will inspire renewed confidence in Europe on the part of millions of citizens who have been long waiting for the commitment to implement a regional fund to be fulfilled".

The Commission hopes, by deploying its admittedly limited resources skillfully, to make the Regional Fund into much more than a device by which the Germans help the British, Irish, and Italian governments offset the cost to their treasuries of their existing regional programmes (This is in line with trade union views). There was agreement inside the Commission that the fund should be treated as discretionary spending in the EEC budget. This means that the European Parliament would be able to vary the size of the fund within narrow limits each year. However, the Council of Ministers has decided to consider the fund as an obligatory expenditure, which means it cannot be increased by the European Parliament.

Details of how the money is to be used inside each Member State are now being worked out by the Commission in a series of working groups with officials of the Member States and will finally be approved by the Council of Ministers, hopefully at its next meeting on March 3/4*. The current view is that in line with the Commission's original proposals in 1973, projects sited in those areas of Britain designated by the Department of Industry as development areas and special development areas, and the whole of Northern Ireland, should be able to make applications for money from the Fund. The Commission is working on a new system of categorising development areas and this will leave some room for argument over areas which do not at present qualify, but the overall picture of priority areas is not expected to change greatly. The Summit did not go into detail about the criteria which will govern distribution of the Fund, but in broad terms the Fund is aimed at creating and sustaining employment, especially in areas of declining industry, improving local GDP, and stemming outward migration.

The new Regional Development Fund will be shared among the Member States as follows:

- Italy 40%
- Britain 28%
- Ireland 6%
- France 15%
- Germany 6.4%
- Netherlands 1.7%
- Belgium 1.5%
- Denmark 1.3% (mainly in Greenland)

Ireland will receive an extra 6 million u.a. to be derived from the shares of the other Member States to compensate Ireland for her overall lack of an existing industrial base.

The Fund will be available for both private and public projects. According to the Commission's proposals the Fund could contribute up to 20 per cent of the total cost of a private project, and up to 30 per cent of the public expenditure on new infrastructure. More generally, the Fund can contribute up to 50 per cent of the total *national* regional aid in each case.

* Agreement was reached on March 3/4.

The Commission has no objection to approaches from potential applicants in the regions to discuss ideas and plans. However, it must be emphasised that formal applications must be made through the central government. This means that the British Government is the correct authority through which to make formal application to the Commission for money from the Fund. In Scotland under the new UK arrangements the Scottish office will be involved. Every application will be vetted by the Commission, in consultation with the proposed Advisory Committee. Final judgement will be made by the Commission. It is stressed that the criteria will be flexible, and that decisions will be subject to an element of judgement in every individual case. During the process of re-examining the draft regulations for the Regional Fund with a view to adapting them to the decisions taken at the Paris Summit, the Commission departments have abandoned the idea of establishing a geographical map of the regions which can benefit from the Fund. By mid-February the Council had made major progress in the elaboration of the texts on how the Regional Fund will be applied. The Ministers have agreed notably (1) on the proportion of Community aid in relation to overall investment costs of projects benefiting from the Fund, (2) on the need for gradual framing of these aids in national regional development programmes, and (3) on the setting up of a European Regional Development Committee. This Committee which will be presided over by the Council, and whose secretariat will be provided by the Commission, will in the future, have a fundamental role in setting up a real Community regional policy.

Other points on which agreement has been reached include:

1. The raising of the intervention ceiling of the Fund for each beneficiary project from 15 (the original Commission proposal) to 20% of the total cost of the project in question.
2. The limiting of Community intervention to not more than 50% of regional aids granted at national level.
3. The limiting of Community intervention for each new job created to not more than 100,000 u.a. (£42,000) and for each job maintained to not more than 50,000 u.a. (£21,000).
4. The need for projects submitted for Fund intervention to be in the context of national regional development programmes and the desirability of extending the deadline by which such programmes should be submitted.
5. The reinforcement of the role of the European Regional Development Committee.

A final decision on the Fund, however, was not possible because of a technical divergence of views between Britain and the Eight, concerning whether to be eligible to receive assistance from the Fund projects had to either create or maintain a certain number of jobs. The British regional development grants are not specifically tied job creation or maintenance (though the TUC wants this), although this is usually the result. Since the UK Government does not have the figures the Commission wants on this question. Notwithstanding the RDG's other UK regional aids, e.g. under the Industry Act, *are* tied to job creation. Although in some ways it is purely a technical question, it is also in the opinion of most of the Eight an important question because it does concern the aims of country regional policy. Expenditure under the Regional Development Fund should not be regarded solely as re-imbusement for national expenditure, *which would have occurred in any case*.

A second problem point concerning the "experimental nature" of the Fund has now been satisfactorily clarified. At first it appeared that the French saw the actual existence of the Fund as experimental, but in mid-February M. Sauvagnargues specified that by the term 'experimental' France was only referring to the terms of operation and in no way to the actual existence of the Fund.

Although the Fund's budget officially runs from January 1, 1975, it is expected that operations will not begin until summer. Money should start flowing into Britain in the autumn. The Fund is regarded as a major weapon in the Community's regional and social policies which aim at balanced growth, correcting the tendency towards economic and employment concentration in some areas and deprivation in others. In theory the Fund should provide £2 for every £1 from the existing Social Fund, which currently supports half of all the Government retraining of manpower in Britain. Other sources of existing regional aid are the European Coal and Steel Community budget which provides grants and soft loans, the Agricultural Guidance Fund and the European Investment Bank, which also provides soft loans. The aim is to integrate the use of all these funds to provide an active and substantial means of "evening out" economic welfare between different areas of the country.

TRIPARTITE CONFERENCE RECOGNISES EMPLOYMENT CRISIS

On December 16, 1974 a tripartite conference on employment was held in Brussels to discuss the prospects for European social policy. The conference was chaired by Mr. Michel Durafour, France's Minister of Labour and officiating President of the Council. Dr. Hillery, Vice-President of the Commission made a statement on the prospects for the Community's social policy. The Council of Ministers called the conference, which was attended by the Commission, representatives of the Member States, and both sides of industry.

The trade unions had 33 seats, 30 of which went to the ETUC¹ and one each to General Confederation of Labour (CGT), the General Confederation of Executive Staff (CGC), and the General Confederation of Christian Workers (CFTC). The TUC did not attend the conference. The employers also had 33 seats with 22 going to the Employers Committee, 5 to the European Confederation of Public Enterprises, (CEEP), and 6 to the Committee of Agricultural Organizations in the EEC, (COPA). The Commission was represented by its President Mr. Ortolí and by Dr. Hillery, who is the Commissioner responsible for social policy. The Chairman of the Economic and Social Committee, Mr. Canonge also attended, and a six member delegation from the European Parliament took part as observers.

The Chairman of the conference, Mr. Durafour, stressed in his opening remarks that the Paris Summit had attached great importance to employment problems. Then Dr. Hillery briefly analysed the economic and social situation and stated that it was up to the Member States to cope with inflation and that the Commissions can only act as an adviser. Mr Vetter, President of the ETUC, stressed that unemployment allowances cannot replace the right to work and called for transparency in the employment market. He also suggested a conference take place early in 1975 with the participation of Ministers responsible for the economy. Mr. Verschuere, Chairman of the Employers' Liaison Committee pointed out that security of work will depend on occupational mobility. Mr. Croese for the CGT said that governments had reacted too late to the recession. Representatives of each government outlined the situation in their own countries.

The Commission presented a paper on the employment market in the Community which included an appraisal of the outlook for employment and a study of market factors and trends. The Commission put forward various considerations on the major issues involved with the deterioration of the employment situation. It wishes to promote an employment policy which will both boost the retraining of workers and enhance job security. At present the problem of job mobility arises within sectors and even within companies. The re-organization of the labour market therefore becomes of great importance. This can be done by improving personnel departments, programming vocational training, granting aid for vocational mobility and, above all, by cooperation between the two sides of industry, the regional and national authorities and the Community institutions. Although it accepts that the fall in demand and the increase in the price of oil have had an indirect effect on the level of employment, the Commission stresses that there were already latent regional and structural problems in previous years. Except in France, Ireland and Italy, there has been a continuous decline in the primary sector (agriculture and mining) which currently represents less than 10% of total employment. This decline will continue and will necessitate the creation of additional jobs in other sectors, despite the fact some slight improvement in the mining industry may occur. The secondary sector (processing industries, building, and transport) represents 30-50% of employment in the Community. The tertiary sector (distribution, services, and administration) accounts for the remainder of jobs and is the main source for new employment opportunities.

By the end of 1974 unemployment exceeded 3% of the total active population in all the Member States except Luxembourg and the United Kingdom. In Denmark, Italy and Ireland it had reached over 5%. In absolute figures, Italy and the GFR show the greatest number of unemployed with 1,013,800 and 945,916 respectively. With regard to Italy, the percentage increase compared with October 1973 only comes to 3%. *Compared with the working population*, it is Denmark (9.2% in November) and Ireland (8% in December) which have the largest number of unemployed. Where the other countries are concerned, this percentage comes to: Belgium 5.4% (in December), GFR 4.2% (December), France 4.1% (November), Italy 5.3% (October), Netherlands 4.7% (December), Great Britain 2.7% (November) and Northern Ireland 0.3% (in December).

¹For composition of the ETUC Executive Committee see Appendix 1.

Here in detail is the table. In the main, the reference month is December with the exception of Denmark, France, Luxembourg, UK (November) and Italy (October).

NUMBERS UNEMPLOYED IN THE COUNTRIES OF THE EUROPEAN COMMUNITY

Country	1973	1974	1974/73 Variations	
Belgium	101,805	140,100	+	38,235 (+ 38%)
Denmark	18,600	79,100	+	60,500 (+325%)
West Germany	485,031	945,916	+	460,285 (+ 95%)
France	455,800	690,000	+	234,700 (+ 52%)
Ireland	68,513	89,935	+	21,422 (+ 31%)
Italy	981,200	1,013,800	+	32,600 (+ 3%)
Luxembourg	56	134	+	68
Netherlands	130,942	180,790	+	49,848 (+ 38%)
Great Britain	493,561	621,690	+	128,129 (+ 26%)
Northern Ireland	27,277	32,170	+	4,893 (+ 18%)
) U.K.			
Totals	2,762,945	3,793,625	+	1,030,680

The sectors worst hit are textiles and clothing, motor vehicles, building and public works. The categories of workers most seriously affected are, in order, (1) young people and the aged, (2) women and migrant workers. To off-set their falling orders many companies are introducing short-time working. However, it is very difficult for small companies to do this.

The conference concluded with the delegates agreeing on the state of crisis and the need for concerted action. The main concrete decision was to revive the Standing Committee on Employment, which is to meet early in 1975. This was set up in 1971, but has only ever met once. The ETUC requested that the Social Council take a decision as to which trade union organizations are entitled to seats on this Committee, where it believes only European-scale trade unions should be allowed seats. Five items have been decided for the agenda of the Committee's forthcoming meeting.

- (1) coordination of employment policies
- (2) increase in transparency of the labour market
- (3) the migrant workers action programme
- (4) the Commission memorandum on equality between the sexes in working conditions, access to employment, training, etc.
- (5) study of young people's employment problems.

Other conclusions of the tripartite conference were that both social partners should meet more often with the Commission to discuss sectoral problems, especially the problems of the following sectors: textiles, building, motor vehicles, public works and chemicals. The conference also decided that the employment policy efforts of Member States must make a special effort to help the young, the old, women, and migrants. Measures in favour of migrants should make as little distinction as possible between those from EEC states and those from third countries. It was also suggested that a second tripartite conference be held to take decisions on EEC employment policy. In addition, the conference agreed to examine the problem of coordination of national and international aid.

The December tripartite conference proved a success and it now remains to be seen if the revived Standing Committee on Employment can do as well and make a forward looking Community employment policy a reality.

THE STANDING COMMITTEE ON EMPLOYMENT

In February the revived Standing Committee on Employment met in Brussels. It discussed how the Social Fund could intervene to help remedy the employment crisis and the Chairman of the Committee, Mr. O'Leary, the Irish Minister of Labour, even tentatively suggested that because of the seriousness of the present employment situation a new form of assistance might be needed such as an employment fund. Part of the role of such a fund could be the support of direct employment schemes which some countries have already begun. There was little response in the Committee to this idea. Vice-President Hillery told the Committee that the Commission would be submitting special anti-crisis measures to the Council. These would be implemented through use of the Social Fund. The aim would be to encourage Member States to transfer employment from areas hard hit by the recession to the dynamic growth areas. The Commission would also be taking steps to improve coordination of employment policies. Dr. Hillery also said that the Commission was ready to help in preparing the joint sectoral meetings at European level, asked for by the trade unions to discuss ways of combatting unemployment. There was general agreement that the sectors immediately concerned were motor vehicles, textiles, construction, chemicals, and at the request of the Belgian Government, glass.

The President announced that concerning a future conference of labour ministers, finance ministers, and social partners, a step in the right direction had been made. The finance ministers had agreed in principle to a joint meeting with the labour ministers. It is hoped that *following this* meeting there can be a larger conference also including the social partners.

MORE PROGRESS ON SOCIAL POLICY

The present problem of rapidly increasing unemployment in all of the Community countries has increased interest in the Community's social policy and in looking at new ways in which it can help solve the problems for workers created by the present recession. The Social Action Programme¹ which was adopted by the Council in January 1974, has 3 main objectives:

- full and better employment
- improved living and working conditions
- greater participation in economic and social decisions

As part of this programme the Council of Ministers in December 1974 adopted 2 important pieces of social legislation, the Directive on Mass Dismissals and the Directive on Equal Pay.² It also approved a regulation to establish a European Centre for the Development of Vocational Training and agreed to the creation of a European Foundation for the Improvement of Living and Working Conditions.

More recently a new batch of major proposals has been submitted to the Council. These include among others proposals on:

- **Poverty:** a programme of pilot projects to develop greater awareness of the problems of chronic deprivation.
- **Migrants:** a series of actions to improve the social situation of migrant families and to develop a common Community approach to immigration.
- **Women at work:** a new directive to end all forms of discrimination, and recommendations on how to abolish the more intangible forms of social discrimination.
- **Labour conditions:** minimum standards for working hours and holidays and legal protection for employees in firms threatened with take-over bids.

Within the Community, the impact of the present economic crisis varies considerably in each country. It is possible to identify those sectors where growth will level out, but it is not clear which sectors will emerge as areas for expansion when the economy revives. In spite of this uncertainty, it is clear that all of the Nine should work together to develop a common strategy for the revival of activities. Although the Commission has never proposed the transfer to Community level of responsibilities and functions better carried out at other levels, there are an increasing number of problems which must be dealt with on the widest possible base due to the growing interdependence of economies of the Nine. In a speech made in London in February 1975, Dr. Patrick Hillery, Commissioner in charge of Social Policy, said "I am convinced that social policies dealing with matters such as job security, worker participation, the distribution of income and wealth, and living conditions have a fundamental role to play in overcoming what we choose to call our current 'economic' problems". He added that social policy should be used to prevent or remedy social problems rather than simply alleviate the most obvious hardships which they cause. He concluded by saying, "A major preoccupation of the Community over the coming years will be to understand and seek to remedy these common socio-economic problems without, however, in any way seeking to impose common solutions against the wishes of individual member states . . . We all have a great deal to gain from a Community approach to social policy".

At present the instruments for implementing social policy are still limited. Legislation at Community level is appropriate only in exceptional cases due to the diversity of social structures in the Community, and directives can be used only to establish certain minimum legal standards. However, the Community also acts as a valuable clearing house for *ideas* on social policy issues and encourages the spread of new techniques. In addition, the Community offers financial incen-

¹For details see *Trade Union News*, Autumn/Winter 1973, pp. 1-20.

²For details see *Trade Union News*, Autumn 1974, pp. 16 and 29-31.

tives. Although the funds at present available for social needs are small in comparison with the vast sums spent on social benefits and infrastructure at the national level, they do, nevertheless, serve as a very valuable catalyst — highlighting specific kinds of action which might otherwise be neglected by member states, or subsidising projects which form part of a wider Community strategy. This applies most to the Social Fund in its role of promoting a Community employment policy.

Expanding Role for European Social Fund

The new emphasis which the Community is now placing its social purposes is well illustrated by the growth of the Social Fund budget. Between 1960 and 1968, the "old" Fund spent only £25 mn. in support of training activities in the original Six, while the new Social Fund budget for 1974 alone was £137 mn. In 1975 the Fund will spend £157 mn. representing about 7% of the total Community Budget. If all goes well this could grow to over £250 mn.

The money is spent as grants towards projects submitted via member governments. These projects may be put forward by either public or private bodies. They are examined on the basis of specific criteria and grants are awarded by the Commission after extensive discussion with the representatives of employers, unions and governments in the Social Fund Committee. As with all grants made by the Commission, assistance from the Fund is aimed at specific groups of people in specific areas and industries and is intended to facilitate a particular kind of social adjustment. During 1974 the Fund helped retrain workers who were leaving the land or the textile industry, or who were finding it hard to get jobs in the less developed regions of the Community. Aid was also given to workers threatened by redundancy due to technical progress and help was given to programmes to assist handicapped people in finding jobs. In addition, for the first time, help was given to projects to facilitate the resettlement and integration of migrant workers and their families.

European Parliament Discusses the Social Fund

On December 9, 1974 the European Parliament adopted a resolution expressing satisfaction with the Commission's report on the first year of full functioning for the renovated Social Fund. The assistance granted by the Fund effectively went to the countries confronted with the most serious social and employment problems, Britain, Ireland and Italy. Priority was given to activities in the context of a policy of measures to prevent unemployment. The Parliamentarians were pleased with the above, but they were concerned about the inadequacy of the finances for the Fund, especially for projects in the context of article 5. The Parliament insisted that the Council re-establish the credits which the Commission had requested in the context of the 1975 budget. Mr. van der Gun, the rapporteur on the Second Report on the Social Fund, stressed the need for the Community to put its fine statements on social policy into a more concrete form by providing adequate money for the Social Fund. If the Community does not do this the Fund can never effectively play its role as an instrument of employment policy as is laid down in article 123 of the Treaty. About six weeks later the European Social Fund Consultative Committee examined a Commission proposal to:

1. allow Social Fund interventions in favour of anti-crisis operations under article 4 of the statutes;
2. allow the possibility of these actions taking the form of aid to the income of the workers affected by the crisis.

Although the committee did not vote, it appears from the debates that while the majority of the delegations would accept the first point, only the Italians would openly favour the second.

At present money from the Social Fund can be used for financing vocational training programmes and worker mobility in 4 categories, textile workers, agricultural workers working to change their occupation, migrant workers and handicapped workers. The Commission believes that the Social Fund's field of action should be extended to enable it to alleviate the consequences of the energy crisis on employment. It does not think this objective can be attained using article 5, the aim of which is to remedy unemployment and structural under-employment in certain regions or sectors. Article 4, however, would make possible a conjunctural action in favour of sectors worst hit by the current difficulties. In addition, article 4 has unused financial resources, while demands for article 5 grants exceed availability. If the uses for the Fund are

extended, the projects or programmes to be financed should encourage the retraining of workers towards activities "translating new forms of growth". For example, support might be given to projects relating to the development of activities which would diminish the Community's energy dependance or which would contribute to the quality of life.

The Commission also has laid down that "special priority" should be given to operations carried out in countries in which cumulatively the gross domestic product is lower than the Community average, and the balance of payments has a durable deficit. The Germans are strongly opposed to this idea of special priority, as defined above because Germany fulfils neither of these criteria, but has been hit very hard by rocketing unemployment.

UK Minister Asks for the Social Fund to Aid the Unemployed

In mid-February Mr. John Fraser, Britain's Under-Secretary of State for Employment addressing the Community's Standing Committee on Employment added his voice to the growing number of calls for greater flexibility in the use of the Social Fund to help the Community's unemployed. What kind of compromise will be reached is uncertain, but it is very likely the greater flexibility Mr. Fraser is seeking will begin to materialize in the very near future.

BRITAIN GAINS FROM COMMUNITY GRANTS AND LOANS

During Britain's first two years as a member of the European Community she has received a total of £89,603,754 in grants and £200,579,600 in loans from the social fund, the Coal and Steel Community and the European Investment Bank. In addition, she has received £176,662,500 from the Guarantee Section of the Community's Agricultural Fund in farm support payments and compensatory amounts which have helped both British housewives and farmers. This figure includes the first instalment of £7,600,000 for the Community's new scheme to subsidise British sugar imports. During the first 2 weeks of 1975 the Community committed a further £27,474,088 for the sugar scheme.

Coal and Steel Fund Aid

Much of the money from the Community has gone to help Britain's Miners and steel workers. The grants are being used to assist coal miners and steel workers who are made redundant, or who are redeployed to new work at new rates of pay, as a result of closures and redeployment measures which fall within the scope of Article 56 (2) of the European Coal and Steel Community Treaty.

The grants supplement earnings where these fall below 90 per cent of previous earnings; provide payments to the unemployed; maintain earnings at 100 per cent for those undergoing re-training; and provide various travel to work and re-settlement allowances. Older workers may commute their benefits into enlarged pensions or annuities. The periods of these benefits vary according to age and circumstances, but normally range from 1 year to 3 years.

The grants of £10.44m. were made to the coal-mining industry for the colliery closures occurring in 1973 and 1974; workers are already receiving these benefits. The closures programme covers 27 complete closures involving the jobs of some 11,000 workers and 8 partial closures or mergers affecting the jobs of nearly 1,000 workers. About half the total numbers of workers affected are to be transferred to other pits and a substantial number of the others will receive early and enhanced pensions.

It should be stressed that decisions on colliery closures are the sole responsibility of the National Coal Board in consultation with the mining trade unions. When the closure programme has been agreed, the UK Government then applies for financial aid in accordance with the convention on aid agreed by the Commission and the UK Government which applies to the UK coal-mining industry.

Similar grants have been made to steel workers. These total £837,193 and cover two closures, one at Workington, Yorkshire and the other at Irlam, Lancashire. This money comes from a £9 million budget already authorised for this purpose by the ECSC for the next 5 years. In July 1974 some £500,000 was paid from the budget to British steel workers. The total number of workers requiring re-adaptation assistance in case of the two steel closures, which were undertaken in pursuance of the British Steel corporation ten-year modernisation programme, is 2,440. These include 17 workers who were employed by a BSC contractor within the site at Irlam works on scrap recovery and processing.

The Council of Ministers has recently approved a new Commission programme to make available £10 million at one per cent over 25 years for housing loans in the coal and steel industries throughout the Community.

About £2,000,000 will come to Britain. The Commission finances 20 per cent of the cost of new construction and between 25 and 35 per cent of the cost of modernisation.

The National Coal Board received during 1973/74 £1,700,000 from the Community which helped to modernise 6,000 NCB houses and thus substantially to reduce the rent increases which otherwise have been necessary.

In the new 1975/76 programme the British steel industry is also expected to participate.

Since 1956 more than 100,000 workers in the European coal and steel sectors have been helped by low-cost housing loans. More than 130,000 dwellings have been either constructed or modernised.

The new programme envisaged is the eighth. The earlier programmes were set up first to ease a general housing shortage; in more recent years they have helped to modernise coal and steel workers housing. Community participation in housing for coal and steel workers is the oldest and most active element of a larger Community role in housing.

Social Fund Aid

Britain has also received a wide range of aid from the Community's Social Fund. Britain has received a total of £13,973,780 from the 3rd and 4th allocations from the 1974 Social Fund Budget. Details of these grants are as follows:—

1. **Training Services Agency** £5,636,000
 (Training opportunities scheme: "Tops")
 Training and retraining of 13,000 unemployed persons 13,000 persons
 including specifically young people under 25, who cannot find work, redundant older workers, and married women who wish to return to work. Available for schemes in the development areas as defined in Regional Development Fund map.
 Training will be carried out in government training centres, colleges of further education and employers training establishments.
2. **Training Services Agency** £2,100,000
 (Trainign in UK assisted areas)
 This is a grant to the last part of a scheme now being phased out in favour of the "Tops" scheme (see 1). It involves the training of instructors, and of skilled and semi-skilled workers, including young persons and older workers.
Note: 1 and 2 together (the "Regional Claims") total £7,735,000.
 Based on what has happened in the past a rough estimate of the regional breakdown might be:—

Scotland	25%	£1,933,750
Northern England	15%	£1,160,250
Merseyside	10%	£ 773,500
Rest of North West	15%	£1,160,250
Yorks/Humberside plus Notts Derby coalfield	15%	£1,160,250
Wales	15%	£1,160,250
South West assisted areas	5%	£ 386,750
3. **Department of Employment** £3,100
 (Key workers transfer scheme) 100 persons
4. **Construction Industry Training Board** £740,000
 3 schemes:— 5,800 persons
 - (i) Training and incomes support for unemployed young persons (from agriculture and other sectors) in certain assisted areas of very high unemployment.
 Scotland 350 young persons
 Northern 65 " "
 North West 140 " "
 Wales 30 " "
 - (ii) Retain unemployed chemical and mechanical engineers, geologists and physicists as civil engineers.
 - (iii) Provision of a training facility in Scotland, to relieve unemployment and under employment (jointly with the Scottish Special Housing Association).

In addition, the Commission has recently announced a grant of £2,643,300 for aid towards assisting U.K. immigrants from non-E.E.C. countries, mainly Commonwealth. The help will be provided mainly to Local Authorities and via the Community Relations Commission, as follows:—

- a. *The Community Relations Commission* (Field Work Division), local Community Relations Councils and other Local Agencies sponsored by the CRC. For reception, information, advice and language teaching for immigrant workers and members of their families in order to ease their employment situation. (£46,300: approx. 40,000 persons).
- b. *Local Authorities* (Section II of Local Government Act). For special teaching and language training for children of immigrants and language training for immigrants and adult members of their families. £2,480,000: Approx. 50,000 children, plus 2,500 adults).
- c. *Local Authorities* (Urban Programme). For reception, information and advice to improve employment situation of migrants and the integration of their families (£117,000: approx. 1,000,000 persons).

Schemes are sometimes also initiated by the Social Fund. During 1974 a pilot scheme to improve computer training in business was initiated by the Fund to take place in Cannock. The Community is providing all the finance, £11,000. The scheme is being organized by 'Computer Power', a wholly owned subsidiary of the National Coal Board in conjunction with the Institute of Personnel Management.

(Further information can be obtained from Mr. Edgar Wille, Head of Recruitment, Training and Information, Computer Power Training School, Cannock, Staffs. Tel. Cannock 2511).

The European Investment Bank (EIB) has provided and is continuing to provide loans for a wide variety of British projects. Loans to the U.K. from the E.I.B. more than doubled during 1974. Loans to Britain amounted to little more than 18% of the total lent by the bank in Western Europe. Most of the loans went to projects in development regions. Operations in the U.K. included a second loan to the Industrial and Commercial Finance Corporation to support small and medium sized industrial ventures. This loan, worth about £10m. will help finance a wide range of industrial ventures, with priority to those which promise to create extra employment opportunities or safeguard job levels in development areas, mainly in Scotland, the North of England, Wales and Northern Ireland, where the most difficult regional problems persist. Other loans went towards modernising the steel industry at Port Talbot and Thrybergh and aircraft construction in Northern Ireland. Large amounts were also provided for energy projects at Lewis and Peterhead in Scotland and for the Frigg gas field in the North Seas, as well as for a nuclear power station at Hartlepool.

Local Authorities also may borrow from the bank for projects of European interest. The E.I.B. has granted a loan equivalent of £7m. to the Kent and Essex County Councils to assist with the financing of a second tunnel under the Thames at present being built alongside the Dartford Tunnel. This project is within the E.I.B.'s scope because of the benefits it will confer on international traffic between E.E.C. Member States. It will both improve communication between the continent and the development areas of Northern England and Scotland, and help to solve the environment problems which have arisen in Kent due to heavy lorries. The loans were financed mainly by borrowing outside the Community, particularly from funds originating from oil producing countries. In the future, in addition to loans from the E.I.B. and grants from the E.C.S.C. and the Social Fund, Britain will receive grants from the new Regional Development Fund.

SOCIAL BUDGET SHOWS U.K. LAGGING BEHIND

As part of the Commission's growing concern over the Community's economic and social problems, it has recently drawn up the Community's first Social Budget. This Social Budget is not a budget in the conventional sense, but is really a comprehensive set of "social accounts" reviewing trends in social service and social security provision both retrospectively and prospectively. The inclusion of the latter distinguishes this exercise from the conventional social accounts which are purely retrospective.

The main purpose of the first Social Budget is to examine, and to set out the implications of the present trend in the Member States, up to 1975, in the development of expenditure and receipts in social policy in the context of expected economic conditions. Although caution * should be exercised in interpreting the comparisons presented in the report, the projections do provide information which can be used for developing national policy and action in the social field. At the Community level the comparison of the nine national projections is valuable both for national work on the European Social Budget and for the development of Community agreement on policies to improve social protection. The Social Budget will be revised and re-submitted to the Council of Ministers each year from now on; thus providing at Community level a valid measuring and forecasting instrument for developing social policies in the member countries,

What is in the Social Budget?

- (a) The expenditures included in the budget are *current* expenditures (and receipts) only.
- (b) The *period* covered is from 1970 to 1975. This period is split into two: 1970-72 which is retrospective, based on the latest available comparative information, and 1973-75 which is prospective, based on the observed trends and on likely economic and social developments.
- (c) Details of *expenditure* are provided on the following: sickness, old age, death, survivors, invalidity, employment injuries, occupational diseases, unemployment, family needs (including maternity), miscellaneous (mainly comprising expenditure on physical or mental inferiority).
- (d) Details of *receipts or financing* by the following means: social assurance/insurance (accounting for 82% to 98% of expenditures); employers' voluntary benefits paid to war victims or victims of other catastrophes, other social measures.

The Main Findings

A. *Where the U.K. Stands*

The United Kingdom appears to spend less per head, and a lesser proportion of its national income, on social security and social services * than any other E.E.C. country except Ireland. Furthermore, on present trends Britain is increasing its social expenditure in relation to its national income at a rate which will mean that within three years Britain may have the *lowest* relative social expenditure in the whole of the E.E.C. These are two of the main conclusions to be drawn from the first European Social Budget, recently prepared by the Commission of the European Communities.

B. *Expenditure*

Over the period 1970-75, in all countries, social expenditure has increased faster than national income. This represents a trend which began before 1970 and indicates the continued development of national policies of social protection. This increased provision of social benefits holds true whether one considers the number of people covered, the social needs met, the level of benefits provided, or the use of social services.

* For instance, in the case of the U.K. the provision of *social services* by local authorities and other factors means that a degree of bias against the U.K. in this area of social provision may be evident in the comparisons.

Comparative figures on *rates of growth* of social expenditures, given in Table 1 below, show three distinct groups of countries. Using as a measure the relative rates of growth of social expenditure compared with the rates of growth of national income the following pattern emerges. The countries with the *highest* relative growth rates over the period 1970-75 are Denmark, the Netherlands, and Italy. The second group of countries includes Germany and Ireland. The final group of countries with the *slowest* relative rates of growth are Belgium, France, Luxembourg, and the U.K., with the U.K. being the slowest of all.

1. Social Expenditure and National Income (in annual average rates)

Social Expenditure	B	DK	G	F	IR	I	L	N	UK
1970-1972	14.3	14.8	13.8	12.4	18.3	19.4	13.2	19.7	13.8
1973-1975	11.8	13.5	11.3	13.8	23.8	15.8	10.6	16.7	9.8
1970-1975	12.8	14.0	12.3	13.2	21.5	17.2	11.6	17.9	11.3

National Income	B	DK	G	F	IR	I	L	N	UK
1970-1972	11.0	11.2	9.8	11.4	16.2	9.7	6.9	12.9	12.4
1973-1975	11.7	9.9	10.3	12.7	18.7	13.8	13.3	11.7	9.4
1970-1975	11.5	10.4	10.0	12.2	17.8	12.1	10.7	12.2	10.6

Rates of growth in social expenditure are insufficient indicators of the social situation in the countries, but if one also examines *levels of social expenditure*, in terms of percentage of national income or in terms of benefits per head, then the pattern remains relatively unchanged. In particular, the United Kingdom again comes off rather badly, as Tables 2 and 3 below illustrate.

The countries again fall into three groups with Netherlands, Denmark, and Germany having the highest levels of social expenditure; the second group of countries which includes Belgium, France, Italy and Luxembourg come in the middle; and with the U.K. and Ireland have the lowest levels of expenditure or benefits.

2. Social Expenditure as a Percentage of the Gross National Product (at market prices)

	B	DK	G	F	IR	I	L	N	UK
1970	18.0	19.7	20.1	18.3	12.9	18.9	17.3	20.7	16.0
1972	19.3	20.8	21.5	18.7	13.0	22.2	19.5	23.1	16.7
1975	19.4	22.9	22.1	19.3	15.3	23.0	18.1	26.3	16.4

3. Social Expenditure per Head (in units of account)

	B	DK	G	F	IR	I	L	N	UK
1970	484.8	629.4	620.6	526.3	124.5	320.6	520.1	501.6	356.4
1972	645.1	810.1	826.4	652.2	238.2	446.9	667.8	724.5	458.1
1975	893.6	1,166.7	1,138.7	932.3	435.3	684.3	880.9	1,127.8	602.3

C. Types of Benefits¹

An interesting point to emerge from examining the development in the past and that envisaged in the immediate future is the tendency in *all* countries for the amount of resources devoted to benefits for old age, (i.e. pensions and invalidity benefits) to increase, whereas family benefits in contrast seem either to remain stable or even to be reduced.

¹ See Appendix I for Table on 'Benefits by Function' in the Nine.

The United Kingdom compares relatively favourably with other countries in relation to *old-age benefits*, i.e. pensions and invalidity benefits. In all countries *old age* benefits account for the highest proportion of total social benefits. It seems likely that its importance will diminish in the Netherlands, Denmark and to a lesser extent in Holland and Italy. A notable increase does not seem likely in the U.K. *Invalidity benefits* are as important as family benefits in the United Kingdom, Denmark and Germany: for Italy and the Netherlands they are a greater priority and in Belgium, France, Ireland and Luxembourg they are less important.

Old Age, Death, Survival Benefits Per Inhabitant Aged 65 or Over

	B	DK	G	F	IR	I	L	N	UK
1970	1,258.8	1,825.7	2,076.8	1,456.4	557.4	978.2	2,228.3	1,935.8	1,238.7
1972	1,640.1	2,228.2	2,475.2	1,815.5	764.9	1,346.6	2,856.7	2,577.9	1,570.6
1975	2,421.5	3,029.7	3,305.6	2,634.6	1,338.4	1,768.6	3,566.8	3,731.0	2,044.8

(in units of account)

The importance of *family allowances* seems likely to diminish in every country except Ireland. The United Kingdom, together with Italy, Luxembourg, the Netherlands and Germany, spends only 6% – 11% of total benefits on family allowances, the other countries spending 15% – 16%. The U.K. has the lowest expenditure on *family benefits*, though in 1975 the comparison will be less unfavourable by virtue of substantial reductions in expenditures on family benefits by Italy and Germany.

Family Benefits (Excluding Maternity Benefits) Compared to the Population less than 20 years (in units of account)

		B	DK	G	F	IR	I	L	N	UK
Family benefits divided by persons under 20	1970	266.5	298.3	180.6	287.6	62.1	01.7	196.8	182.1	93.1
	1972	330.9	385.8	211.9	323.6	74.0	109.0	242.3	247.1	104.5
	1975	424.4	492.7	256.2	435.0	163.4	111.6	311.0	346.5	129.3

As far as *sickness benefits* are concerned, the United Kingdom compares fairly well with other member states, although the trend for 1975 suggests that Italy will increase its expenditure, making U.K. expenditure only higher than Ireland and Luxembourg. Sickness benefits, representing for most countries about 25% of the total, seem likely to increase, possibly to make up almost a third of all social expenditure in Denmark, Germany and Italy. Benefits in kind, covering mainly the maintenance or recovery of health are most important in the United Kingdom, Ireland and Denmark where a national health service exists. However, the percentage of total expenditure, currently at 20% – 25%, is increasing in *all* countries, whereas cash benefits are not.

Sickness Benefits (in Kind and in Cash) per Head (in units of account)

	B	DK	G	F	IR	I	L	N	UK
1970	99.5	176.1	153.5	125.4	48.2	78.4	87.0	129.0	92.0
1972	140.5	219.1	225.6	164.4	66.7	106.5	114.9	189.0	116.4
1975	199.6	354.7	321.4	246.1	122.1	200.7	153.3	296.6	158.6

COMMUNITY INCREASES PRESSURE FOR WOMEN'S RIGHTS

The EEC Commission is to ask member governments to take immediate steps to end discrimination against women at work. The new proposals call for equal treatment for women in access to employment, vocational training and promotion. The principle of equal pay is already enshrined in the Rome Treaty.

The commission's new proposals would also empower women to take employers to court in cases of discrimination if other methods failed. The Commission also wants to make greater use of the Community's Social Fund to promote training programmes for women.

The Commission has approved a communication to the Council and a draft directive aimed at ensuring equal treatment for men and women where access to employment, vocational training, promotion and working conditions are concerned. The proposals will implement one of the priority objectives of the Community's Social Action Programme as laid down by the Council resolution of January 21, 1974. This new draft directive is designed to complement the directive on equal pay for men and women which was adopted by the Council on December 17, 1974. It requests member states to eliminate discrimination against women at work on the basis of sex, marital or family status. It would also ensure legal remedies for those who consider themselves deprived of equal treatment and would protect them against dismissal or loss of status as a result of taking legal action.

The communication sets out problems facing women in employment and outlines ways of dealing with them. The Commission realises that statutory means by themselves can only partially achieve the objective of equal treatment for men and women at work. This is why the draft directive which deals with those aspects of discrimination which are the direct responsibility of public authorities needs to be backed up by a whole range of other measures some of which are within the direct responsibilities of the member states themselves. For its part the Commission believes that the Community can also play a vital role. Among the more important measures put forward in the communication, it is proposed that there should be more effective use of the Social Fund for training programmes for women, and special action in the field of informing women of their rights.

The existing provisions of the Social Fund rules specify that women over 35 years as well as young workers of both sexes below 25 years are special categories of workers who may benefit for retraining aid from the fund under article 5. However, no request for aid aiming specifically at the promotion of women's employment has been submitted since the establishment of the new Social Fund in 1972. Hence, the Commission urgently requests member states to intensify the search for schemes and pilot projects aimed at promoting more and better jobs for women which could appropriately receive aid from the Social Fund.

The Commission is also examining how article 4 of the Social Fund can be used to finance special projects specifically aimed at increasing opportunities for women's employment. In this case Community assistance is likely to be available for "Integrated Programmes" where vocational training is part of a package scheme which also includes an information campaign, industrial acclimatisation, child care facilities and transformation of jobs.

Women are often poorly informed of their rights and the means open to them to improve or widen their training or to reconcile more effectively their family and work responsibilities. Action to remedy this situation could consist of compilation and systematic dissemination of information about the overall position of women working in the Community, the success enjoyed by women in jobs traditionally done by men and the publicising of programmes to overcome the usual barriers facing women when looking for suitable jobs. The Commission, therefore, intends to find effective means to meet this need and ensure that the necessary documentation is made available so that women in the Community are fully informed of important developments affecting them.

Situation of Working Women in the Community

The number of employed or self-employed women in the Community is estimated to be about 35 million. Their proportion in the total working population ranges from 35% to 40% in most of the member states and is about 25% in the Netherlands, Italy and Ireland. The increase in the number of married women at work is a significant phenomenon.

Women's position in the labour market has three main characteristics:

1. Concentration in the services and in lesser skilled and lowerpaid jobs.
2. Inadequate education and training for a trade or profession.
3. Influence of marriage and motherhood on the working career and the difficulties women have in reconciling their careers with family responsibilities.

These three factors have an inhibiting effect on the careers of working women. Unimaginative vocational guidance and training often lead young women into jobs without a professional future. Secondly, a young woman applying for a job often represents a potential absentee in the eyes of her employer and this limits her chance of promotion. Thirdly, when a 35 or 40 year old woman wants to return to work after a long absence, she often faces psychological and vocational difficulties. The past few years have been marked by increased protest action by women against these problems and this is indicative of the tensions and frustrations with which working women have to contend.

The solution of these problems is not easy, especially in times of economic difficulties. Nevertheless, given the present situation of widespread discrimination and women's expectations of equality, the present economic difficulties should not be used as a reason for postponing the measures needed to achieve full equality.

What has to be done

To obtain equal treatment for men and women in employment, it is necessary to expose the inequalities in the various fields of working life and remedy the causes where possible. The communication examines the fields of employment, recruitment and promotion, vocational guidance, training and retraining, working conditions, child care facilities and support for workers with family responsibilities and social security. The communication suggests measures which can be taken progressively to bring about equality of treatment. The development of remedial action depends primarily on member states, the social partners and on women themselves. The communication indicates where action can be taken at Community level, such as the proposed draft directive and social fund aid.

The programme points out that a serious problem of prejudice against women workers exists among employers, trade unions and educators as well as in the public services. Two steps must be taken, then, to achieve equality of treatment:

1. Action on a broad front to eliminate prejudice against the exercise by women of free choice on the labour market, and
2. Effective recognition of the wider social dimension of maternity so that women may be allowed to reconcile their family responsibilities with their professional aspirations.

These objectives can only be achieved progressively. They are the basis of the measures which the Commission is proposing in its communication to the Council.

THE ECONOMIC SITUATION IN THE COMMUNITY — 1975

The European Commission's views on the economic situation in the Community are contained in a recently published report. The Commission report reveals hopeful signs of a return of economic buoyancy over 1974 levels, but is tempered with the hard reality that full economic recovery is not yet in prospect.

Industrial Investment

Forecasts of investment in industry show that a standstill or slowdown is expected in 1975 in the major countries, with the exception of Germany. The survey of industrial management expectations revealed the following data in the member countries.

	<i>1975 expectations</i>	<i>1974 level*</i>
Germany	5%	2%
Italy	6%	5%
France	13%	16%
U.K.	7%	28%
Belgium	less than the 1974 rate of 42%	
Luxembourg	20%	-12%
Netherlands	—	—

Generally, the most optimistic industries are those producing non-finished goods and, except in Italy, in the iron and steel industry. The replies in the electrical and mechanical industries as well as in the rest of the manufacturing sector are all cautious.

Industrial Production

The slowdown in the summer of 1974 (from a 1.5% rise in the second quarter of 1974 to 1% in the third quarter) seems to have continued into 1975 in Denmark, Italy, Belgium, the Netherlands, and especially in Germany. The weakest production was in cars (down 28% in November compared to a year before), textiles, and building.

*These rates of increase concern investments in money terms, the rate of variation in volume understandably showed a substantial fall-off.

Iron and steel industries have expanded production during much of 1974, but new orders were down in November by one-third over those of a year before. Community iron and steel production was down some 1.5% from December 1973 to December 1974.

Unemployment

By the end of 1974, unemployment was up approximately 40% over the late-1973 level with some 3,700,000 persons unemployed in the Community. Unemployment was increasing rapidly in Denmark, France, Ireland, the Netherlands, Belgium, and Italy. The rise was slower in the U.K. In most member states there was also widespread short-time working, particularly in the motor industry and in mechanical engineering.

Consumer Prices

In spite of an upward thrust in consumer prices in December, there were signs of a slowdown in most countries, particularly Germany. This development is probably a result of a more modest rise in the price of manufactures thanks to a fall in the import prices of raw materials.

In addition, a weaker demand by private consumers is tending to have a moderating effect on price rises. Agricultural foodstuffs maintained their rapid price increases partly due to seasonal factors.

For December 1973 to December 1974, the percentage increases in consumer prices were:

Germany	5.9%	Denmark	15.5%
Netherlands	10.9%	Belgium	15.7%
Luxembourg	11.2%	U.K.	16.1%
France	15.1%	Italy	24.5%
		Ireland	20.0%*

*Dec. 1973 to Nov. 1974

Balance of Trade

Mainly due to a slowdown of imports, and more favourable terms of trade, the Community's trade deficit has narrowed slightly over the last few months of 1974, especially in Ireland because of the rising value of their agricultural exports.

Based on national statistics of the f.o.b. value of exports and imports, France's balance of trade was back in surplus (the first time since the end of 1973) and Italy, Denmark, and the U.K. all showed reductions in their deficits. Germany's surplus began to grow again after its brief decline and levelling-off in the second and third quarters of 1974.

Exports

The value of Community exports to non-member countries (except in the case of Italy) grew more slowly during the second half of 1974 than at the beginning of the year. In addition, the volume of trade in real terms does not seem to have expanded. This is largely due to the rapid and continuing rise of export prices and the fall-off in economic activity, and hence foreign sales, in the industrialised countries.

Of interest is that, along with other Community countries, Italy has achieved a high rate of expansion of sales to oil-producing states and Eastern European countries.

Imports

Seasonally adjusted values of imports fell in Denmark, France, and the Belgo-Luxembourg Economic Union in the third quarter of 1974, compared with the second quarter, but continued to rise in Germany, Italy, the Netherlands, and the U.K.

Figures for the fourth quarter show an apparent slowdown continuing in nearly all Community countries.

Trade Between Member Countries

Since the second quarter of 1974, intra-Community trade has grown very little in value and has slightly decreased in volume. There was a noticeable slackening in the demand for imports from other member states largely because spare production capacity in most main industrial sectors was available in all Community countries, along with comparatively high levels of stocks of finished goods.

Exchange Rates

Between mid-November and the end of January, the currencies in the Community exchange rate system appreciated by some 7% against the dollar, by some 4% against the pound sterling, and by some 3% against the lira.

NOTES

Commission wants to Help Migrant Workers

The Commission has recently approved and sent to the Council an action programme to help migrant workers and their families. This programme has been drawn up in the framework of the Community's social action programme for 1974-1976. There are over 10m migrants in the Community. Three-quarters of them come from non-member countries. The migrant population is larger than that of Belgium, Denmark, Ireland or Luxembourg and could be said to form a 'tenth member state'. Most migrants have no political rights and few social rights. They often live in poor housing and work in low paid jobs. In addition, last year most member states introduced further restrictive measures for non-Community nationals.

Migrant workers are a useful source of temporary labour during periods of economic growth and they help economies adjust more easily to short-term changes in demand. The Commission wants member governments to recognize the contribution migrants have made to the development of their economies by allowing them some of the rights enjoyed by their fellow workers.

Two of the main goals the Commission has set itself in their programme concern social security for migrants from third countries and political rights for all migrants regardless of origin.

Social Security — The aim is to grant non-Community migrants equality of treatment with Community nationals. The Commission is urging the aggregation of periods of insurance, both in the home country and in the Community, the granting of family allowances for children who remain in the country of origin, and the acceptance of the right to export sickness and old age pensions to the home country.

Political Rights — The Commission is in favour of granting political rights at the local level to all migrants irrespective of origin, by 1980. These rights would be subject to reasonable residence requirements, yet to be decided. This is the most effective way of giving migrants real influence over their living and working conditions. As an immediate step, the Commission plans to set up a system of consultative organizations to ensure migrants have a voice in local decisions.

Other Areas Covered — The other fields covered by the Commissions' action programme concern:

- *professional training* — Member states should introduce system of time off for migrants to attend language courses and professional training; at present, non-qualified migrants generally acquire no extra-qualification during their stay in the Community.

- *social services and housing* — Migrants usually do not get full advantage of either.

- *education of children* — there should be pre-school, bi-cultural, and language courses for children of migrants.

- *illegal immigration* — The situation of this class of migrants is becoming increasingly precarious due to inflation. The Commission will encourage member states to sanction employers who hire illegal immigrants more heavily.

TUC General Secretary speaks about the Community

Mr. Len Murray, General Secretary of the TUC, was critical of the Community in a speech given to the French Chamber of Commerce in London March 7th. Mr. Murray said the TUC were concerned about the emphasis on competition in the Community. The TUC view was, he said "that Britain should not be in a 'market' of which competition is its guiding principle". He said that many trade unions in France and the other Community countries, thought "that the Common Market has started off with too much competitive purpose and too little Community purpose, too much of economics and too little of social welfare, too much about fair business practices and too little about fair social practices".

Mr. Murray concluded by stressing the TUC view of the need for the Community (and Community Governments) to reverse ideas and objectives which, he said, had been formulated during the 1950's, and were now 'out of date'. The TUC would wish to see "whether the renegotiations will give the indications for which the TUC was looking; that in future events will be moved more by social purposes, less by profits".

ETUC talks with the French C.G.T.

A further step toward greater cooperation on the European level was taken in early February when the ETUC decided to make contact with the French General Confederation of Labour (CGT), the Communist Union in France, to discuss joint problems. The ETUC delegation will be led by H. Vetter, President and T. Rasschaert, General Secretary.

NCSS Increases its interest in Europe

The National Council of Social Services (NCSS) now has an office in Brussels for its European Desk to keep well in touch with Community developments. It has also recently began publishing a monthly (except for August) bulletin of Community news called *Look —→ Europe*. This publication gives up-to-date news and opinion on what is happening in Community social affairs, i.e. social security, personal social services, employment, housing and health. It will also keep abreast of news on regional policy, education, consumer affair and overseas development.

The NCSS believes that independent bodies and individuals have a right to knowledge of and influence on decisions made in their name, whether the decisions are made by local, national or supranational authorities. The Community is a complex structure dealing with a vast array of matters that affect all of our lives. The better informed we are about what it is doing and in planning to do the more easily we can have some say in what is happening. This is particularly true in the social work field.

Anyone interested in subscription to *Look —→ Europe* should write to the European Desk of the National Council of Social Services, 26 Bedford Square, London WC1 3HU - tel. (01) 636 4066.

COMMUNITY INSTITUTIONS — THE COMMISSION

The Commission of the European Communities consists of 13 members, appointed by agreement among the member governments. There are two each from the U.K., Germany, France and Italy, and one each from Belgium, the Netherlands, Denmark, Ireland and Luxembourg. The Commissioners are appointed for 4-year renewable terms. The President and Vice-Presidents of the Commission hold office for 2-year renewable terms. Although the Commissioners are appointed by the Member Governments, they are not representatives of their governments. They are required, in general interest of the whole Community, to be completely independent in the performance of their duties. They may not seek or accept instruction from the Council, any Government, or any other interested body.

The Council of Ministers cannot remove any member of the Commission from office. The Commission is responsible to the European Parliament who can, if it wishes, by passing a vote of censure, compel the whole Commission as a body to resign.

The Commission has 19 main departments, known as Directorates General. There is also a General Secretariat, a Legal Department, consisting of the combined departments of the High Authority of the E.C.S.C., the Commission of the old E.E.C. and the Commission of Euratom, a Statistical Office, and a number of specialized Services.

At the beginning of 1974 the Commission's staff numbered about 6,800 (permanent) posts, including 1,704 Grade A officials. The translation and interpretation staff is over 700. For comparison purposes at all but the very junior levels, the various nationalities are carefully balanced and intermixed, so that the senior and junior colleagues of a particular official are almost always of a different nationality from his own. At the top level, the Directors General are of a different nationality from the Commissioners to whom they are directly responsible. Like the Commissioners the individual members of the staff are expected to act at all times solely in the interest of the Community as a whole.

Each Commissioner has his own 'Cabinet' or 'Private Office', whose 5 or 6 members are appointed personally by the Commissioner. They can, and do, speak and negotiate with his full authority. Hence their function is significantly different from that of the Private Secretaries working in the Private Office of a British Minister; though this is a fair if not accurate comparison. Each Commissioner is responsible for one or more of the main area Community activities.

Commissioners and their Areas of Responsibility

<i>Name</i>	<i>Nationality</i>	<i>Area of Responsibility</i>
Francois-Xavier-Ortoli (President)	French	General Secretariat Legal Service Spokesman's Group Security Office
Carol Scarascia Mugnozza (Vice President)	Italian	Relations with the European Parliament Environmental policy Consumer protection Transport policy Press and information
Wilhelm Haferkamp	German	Economic and financial affairs Credit and investments
Sir Christopher Soames (Vice President)	British	External Relations
Patrick John Hillery	Irish	Social Policy

<i>Name</i>	<i>Nationality</i>	<i>Area of Responsibility</i>
Henri Simonet	Belgian	Taxation Energy Policy Euratom
Altiero Spinelli	Italian	Industrial and Techno- logical Policy
Albert Borschette	Luxembourg	Competition Personal and administra- tion
George Thomson	British	Regional Policy
Petrus Joesephus Lardinois	Dutch	Agriculture
Finn Olav Gundelach	Danish	Internal Market Administration of the customs union
Claude Cheysson	French	Development aid and cooperation policy Community Budget Financial Control
Guido Brunner	German	Research, Science and Education Joint Research Centre Statistical Office

How the Commission Takes Decisions

By the terms of the Treaties, the Commission must act as a collegiate/cabinet body, responsible collectively for all the actions of its members. It cannot delegate to a member (in his particular sphere) powers which could give him a degree of independence comparable to that of, say, a British minister in his department. Only very limited delegations of powers are granted, for the issuing of strictly technical implementing measures in line with the Commission's agreed approach, such as the day-to-day fixing of certain agricultural levies. The Commission reaches its decisions by simple majority voting, though in fact many decisions are unanimous. Where a vote is taken, the minority always abides by the majority decision.

Discussion of especially important or complex subjects is prepared by ad hoc committees of the Commissioners most closely concerned in each case. The more technical items on the Commission's agenda are considered at a weekly meeting of the 'Chefs de Cabinet', in order to simplify and speed up the proceedings. Fairly straightforward matters are to a great extent dealt with by means of "written procedure"; the members are sent the particulars and the text of a proposed decision, and if within a given period (usually a week) they have not entered reservations or objections the proposal is taken as adopted. Only issues of major importance, therefore, actually figure in the agenda of the Commission itself, which meets each week for at least one whole day. Once proposals have been agreed by the Commission these still must be approved by the Council of Ministers before they become Community policy. In implementation of the Treaty of Paris, which concerns the Commission can issue decisions, recommendations, and opinions. Decisions are binding in every respect; recommendations are binding as to ends, but not as to means; and opinions are not binding under the Treaty of Rome.

The Main Roles of the Commission

The European Treaties assign the Commission a wide variety of duties which may be roughly grouped under the following three main roles:—

- A. Guardian of the Treaties;
- B. Executive Arm of the Community;
- C. Initiator of Community policy and exponent of the Community interest to the Council.

A. Guardian of the Treaties

The Commission sees to it that the provisions of the Treaties and the decisions of the institutions are properly implemented. If it carries out this role as watchdog well, all concerned can carry out their obligations in full, confident that their opposite numbers are doing the same and that infringement of the Treaties will be duly penalised. Conversely, no one can plead breach of obligations on the part of others as a reason for not doing his own part; if anyone is in breach, it is for the Commission, as an impartial authority to investigate, issue an objective ruling, and notify the government concerned, subject to verification by the European Court, of the action needed to correct the situation.

When the Commission concludes that the Treaty has been infringed — which it may do either on the strength of an investigation by its own officials, at the request of a government, or following complaints from individuals — it requests the state in question to submit its comments or counter-arguments within a specified period (usually a month to six weeks). If the state allows the arrangement complained of to continue and its arguments do not cause the Commission to change its mind, the Commission issues a reasoned opinion with which the state must comply by a set date. If the state fails to comply, the Commission may refer the matter to the Court of Justice, whose decision is binding on both the state and the Commission. Most of the arrangements proceeded against in the first few years of the Community for infringement of the E.E.C. Treaty related to customs duties and quotas. Today there are also cases under many other Treaty provisions and the diversity increases as more common policies come into effect. For the most part the infringements (usually called infractions) have not been deliberate attempts to evade the Treaty, but the result *either* of differences in interpretation between the Commission and one of the Member States, which have been settled by the Court, *or* of the kind of mistake which is likely to happen from time to time when national civil services have to adjust to new Community procedures.

B. Executive Arm of the Community

The Commission is directly invested by the Treaties with some executive powers; in addition, it now possesses substantial extra powers conferred on it by the Council, mostly in connection with Community matters, for securing the implementation of enactments based on the Treaty (this is termed “derived Community law”). Both sets of powers, those stemming directly from the Treaties and those made over by the Council, can be sub-divided under three main headings:—

(1) *Preparation of the implementing order with respect to certain Treaty provisions or Council enactments*

Both the E.C.S.C. Treaty and the Rome Treaties give the Commission direct rule making authority. This is especially true of the E.E.C. Treaty with regard to all matters connected with the establishment of the customs union in accordance with the Treaty timetable. Nevertheless, it is mainly the powers conferred by the Council in connection with the common policies — more especially the common agricultural policy (CAP) — that have notably enlarged the Commission’s responsibilities in the last few years. During 1972 alone the Commission enacted 2,590 regulations, mostly relating to the CAP.

(2) *Application of the Treaties’ rules to particular cases (whether concerning a government or a firm) and the administration of Community funds*

With regard to such application the Commission plays a prominent role in the E.C.S.C. and also in the E.E.C. In the latter this is mainly in regard to competition (keeping cartels and market dominance within bounds, limiting State subsidies, discouraging discriminatory fiscal practices, etc.) It also has been given various powers by the Council with respect to the common policies, notably on agriculture and transport. The Commission administers the Community’s funds. In addition to handling all the funds for the E.C.S.C. and Euratom, it also runs the European Social Fund, which helps retrain and redeploy workers. This fund has now been given a more decisive

role in the development of social structures. Its budget for 1974 was 267 mn. u.a. and this should regularly increase in the future. Then there is the European Agricultural Guidance and Guarantee Fund which disposes of much larger amounts. Under the 1974 budget, it received 3,840 mn. u.a. to enable it to cover the agricultural market support costs and to furnish assistance of 325 mn. u.a. towards firm modernisation schemes. Beginning this year it will also be administering the Community's new Regional Fund of 1,300 mn. u.a. 300mn u.a. will be spent in 1975 and 500 mn. u.a. in both 1976 and 1977. As part of the Community's development aid programme for developing countries there is a European Development Fund also administered by the Commission. This is to help overseas countries or territories associated with the Community. The first Development Fund (1958-63) disbursed 580 mn. u.a., the second (1964-1969) 730 mn. u.a., the third (1971-1975) 810 mn. u.a. and the fourth (1976-1980) will be 339 mn. u.a. The Commission also operates a food aid programme for developing countries. This came to about 135 mn. u.a. in 1974.

(3) *Administration of the safeguard clauses in the Treaties*

The so-called "escape clauses" provide that authorisation may be given to waive the Treaties requirements in exceptional circumstances. This places a very heavy responsibility on the Commission. Had it been left to the individual states themselves to decide whether special problems or circumstances entitled them to by-pass the rules laid down in the Treaty or implementing orders sooner or later interpretation would have differed, and before long each would have been doing as it pleased. The Treaties wisely provide that only the Commission, in the strictest independence, may authorize waivers ("derogations") at the request of a Member State, having considered all the circumstances and seeking in each case to ensure that the operation of the free trading is interfered with as little as possible. The Council has given it similar powers in the enactments relating to the common policies. Waivers may be of many kinds, ranging from the fixing of tariff quotes to the exemption of whole sectors of the economy from the Treaty's requirements. Most of the cases in which escape clauses have been invoked have concerned the E.C.S.C. and the E.E.C. However, the waivers granted have been kept strictly limited in scope, so that they have only marginally impaired the working of the Community. (At the time of the three-day week in the UK coal and steel products were exempted from E.C.S.C. regulations at the request of the UK Government.)

Note — Use of Management Committees by the Commission in its administrative work

Council decisions have done much to extend the field of the Commission's management and administrative work by giving it additional responsibilities for the enforcement of derived Community law. The Council has been anxious that the powers so conferred should be exercised in close consultation with the member governments, and accordingly various *committees* of government representatives (i.e. civil servants from the member countries) have been attached to the Commission. Some are purely consultative, but the most important part of this system has been the array of "Management Committees" concerned with agricultural marketing, one committee for each main category of products.

The procedure is that the implementing measure which the Commission intends to enact is submitted in draft form to the appropriate Management Committee, which then gives its opinion, arrived at by voting weighted in the same way as in the Council. The committee's opinion is not formally binding on the Commission, which must take note of the decision, but remains free to decide for itself. However, if the opinion has been given by a qualified majority (41 votes out of 58) and the Commission nevertheless takes a different stand, *the matter goes before the Council, which may within one month reverse the Commission's decision*. If on the other hand the Commission's decision is in line with the committee's opinion, or if no opinion has been forthcoming (the committee having failed to muster a qualified majority one way or the other), that decision is final and no appeal can lie to the Council.

The Management Committee procedure has been extensively employed, and now works extremely well. In 1973, some 448 meetings of the various Management Committees were held. Favourable opinions were given in more than 1,396 cases. No adverse opinions were given, and in 77 cases no opinion was offered by the committee. Since the Management Committees have been such a success, similar arrangements have been introduced in the last few years in other fields. Thus, three committees of government representatives have been set up to help manage different

aspects of the implementation of the *Common Customs Tariff* following the establishment of the customs union on 1st July 1968. Others have been set up to control *technical* and *health* standards, especially in the *food* and *animal-health* fields.

C. Initiator of Community Policies

(1) *The Scope for Action*

The Commission initiates Community action by proposing policies and drafting the legislation for implementing policies after their approval by the Council, and it is responsible for seeing that the various Community policies are consistent with one another. The merger of the executives set up under the three Treaties in 1967 permitted the redistribution of responsibilities between the members of a single Commission and the drawing up of a number of common policies: industrial policy, energy policy, research and technological policy — which despite valuable achievements in the early stages had been hanging fire in consequence of the fact of there being three separate Executives up to that time.

The EEC Commission had since its establishment regarded as one of its most important functions the initiation of common policies, a role which has now been taken over by the single Commission. This function was peculiar to the EEC Commission, because the EEC Treaty is an “outline enabling treaty”, unlike its E.C.S.C. and Euratom counterparts, which are “codes-of-rules treaties”. The latter two treaties lay down in careful detail exactly what rules are to be applied and what tasks performed in their respective spheres. The EEC Treaty, apart from its “automatic” provisions on the dismantling of tariffs and quotas, confines itself to sketching out in general terms the policy lines to be pursued in the main areas of economic activity, leaving it to the Community institutions, and more especially the Council, the Commission, the Parliament and to some extent the Economic & Social Committee, to work out the actual arrangements the Community is to establish.

In addition, everything to do with economic integration has been left blank in the Treaty; with the blanks to be filled in by the institutions, without the need for fresh treaties. The measures the institutions are empowered to bring in range from information documents up to full-scale “European Laws” directly enforceable in all the Member States and capable of producing radical changes in the sectors concerned. To give an example, the great body of “European Laws” on agriculture, promulgated from 1962 onwards, is comparable in scope to the body of rules contained in the E.C.S.C. Treaty. Moreover, the guidelines laid down by the Heads of State and Government of the Nine at the Summit Conference in Paris in October 1972 require the Community institutions to draw up common policies in fields not strictly provided for in the Treaties themselves.

The EEC Treaty has thus evolved as it has gone along. This has allowed policies to be worked out empirically, and to take account of developing national and group interests. The Council and the Commission have both set up various consultative and advisory committees comprising representatives of interested organisations and/or trade unions and employers organisations. These include among others a Standing Economic Policy Committee, Advisory Committee on Vocational Training, Advisory Committee on the Social Fund (Tripartite), Committee on the Free Movement of Workers, Consumers Consultative Committee, Joint Industrial Committees (in certain industrial sectors).

(2) *How the Commission Develops Policies*

Unlike, say the British Civil Service Departments, the Commission when it is formulating policies is ‘transparent’, i.e. the process is far more open to inspection and influence from outside. The Commission frequently requests independent expert’s reports on areas in which it wishes to develop policies. The Commission would then prepare initial working papers based on the expert’s reports and then discuss these with interested bodies and groups, which may or may not include national Government experts, but would almost always include trade unions and employers organisations. The next stage might be to publish its initial proposals, often called guidelines. This would be the first formal communication of the Commission’s views. This document would then be sent to the Council of Ministers. Consultations would then take place between the Commission, national civil servants, the trade unions, employers organisations, and other European-level interested groups. The ‘guidelines’ would also be discussed by the Economic and Social Committee and the European Parliament.

After all these discussions the Commission would revise or expand on the 'guidelines' and publish and send formally to the Council its final proposals for action which might include new legislative action at European level. The process of formal consultation then continues between the Council, who alone have power to decide whether they wish to accept the Commission proposals, the European Parliament, and the Economic and Social Committee. When this final process of consultation is completed the Council of Ministers, with the Commission present, will decide whether or not to accept the proposals in full or in an amended form.

The Commission might appear to be in a relatively weak position because it *has* to have the agreement of the Council to its proposals, and the Council represents Governments with the weight of their sovereign authority behind them. However, the Treaties are designed to ensure that the Commission, who it must not be forgotten, has formulated its policy in the open and with considerable discussion between all interested parties, including, for instance the trade unions, is not powerless when facing the Council.

For a start, it is in the Commission's favour that it draws up the proposals that the Council considers — and only on the basis of the Commission's proposals can the Council deliberate at all. If the Council of Ministers hold a unanimous view then they can decide against the Commission's proposal. On the other hand, if they wish to decide by a majority decision this can only be done if the decision is in line with the Commission's proposal. In other words unless the Council of Ministers all agree, they can only take a majority decision to accept the Commission proposal, without amendment. Only the Commission can amend it. Hence, where majority decisions are desired by the Council, the position is that either the Council adopt the Commission's proposal as it stands, or it decides, unanimously against the proposal or it fails to come to a decision at all. The Commission, therefore, does have genuine bargaining power in its relations with the Council, if it uses it.

In practice, the Commission — Council dialogue has a momentum of its own. Each country reserves the right to veto a proposal which it considers is severely detrimental to its own interests. Furthermore, in practice, as fairly substantial EEC experience shows, a country is not liable to find itself outvoted at the drop of a hat, even in minor matters which are of no great importance to it. The Commission, in the long and democratic process of drawing up its proposals, will have taken account of any major objectives to the proposals raised by particular member countries. The Commission's proposals will generally represent an expression of a 'maximum' consensus view between the various member countries' governments and interest groups.

The Commission's position as a permanent body does, however, prevent the Council from adopting conflicting proposals on different views as a consequence of shifting majorities caused by temporary alliances of interests among governments.

Finally, it cannot happen that a majority of the Council — unbacked by the Commission — can impose on a recalcitrant State a measure damaging to the interests of that State. Apart from the 'unanimity rule' which protects states when voting in the Council, the Commission in its role of representing the *Community* interests would not be likely to make proposals which would seriously damage the interests of any one member state. The smaller member States have set great store by the safeguard provided by the existence of the Commission.

BOOK REVIEW

EEC — Your Questions Answered, by the EEC Information Unit, Department of Industry, 1 Victoria Street, London, S.W.1., 1974, Tel: 01-215 4301.

This new 87-page publication on the Community by the Department of Industry is a very useful guide to the EEC. The introduction to the booklet explains that the EEC Information Unit in the department was set up to help people wanting information on how Community policies, procedures, and legislation affect their business. The main concern of the unit is with Community aspects of those subjects for which the Departments of Industry, Trade, and Prices and Consumer Protection are responsible.

In addition to giving a good brief account of how the Community works, including a section on how industry and commerce influence the development of Community policies, the booklet also answers a number of practical questions about doing business in the Community and about working and travelling in Europe. There is a table included giving all the public holidays for 1975 in both the Community and EFTA countries.

The last half of the publication is made up of 8 very useful appendices which are as follows:

1. List of EEC and EFTA members
2. EEC Association and Trade Agreements —
This gives the country party to the agreement, date of entry into force, duration, form of agreement, and its applicability to the U.K.
3. What's it short for?
This is a most useful guide to abbreviations in use in the Community. It gives a real hope of coping with some of the jargon!
4. Technical standards: check list of draft and adopted directives —
This gives the subject, the reference of the directive or the latest draft received, and the status and date of publication in the *Official Journal*, where applicable.
5. Reading list —
This is made up of 2 lists, one of official publications on Community matters which can be obtained from HMSO, the other by subject includes both official and commercial publications.
6. Customs notices of interest to exporters —
These are issued by HM Customs and Excise.
7. Useful addresses and contacts in Europe —
This includes a list of all the directorates in the Commission, with the topics each covers.
8. Useful addresses and contacts in the U.K. —
This includes a list of branches of various government departments which could be of use in various aspects of relations with the Community and the topics they cover; Western European Embassies in London and other official and non-official organizations.

Within these appendices one can quickly find answers to such varied questions as the date the Community's trade agreement with Argentina came into force, what kind of agreement it is, and how it applies to the U.K.; what COPA is; the address and phone number of the European Bureau of Consumers' Unions; or which directorate-general of the Commission (and which directorate within it) deals with questions on industrial relations, sugar, or the European Social Budget.

The first section of the booklet is of interest mainly because it shows the wide variety of questions affected by Community membership and how many trading arrangements and business procedures have already been changed since the UK joined in 1973. The questions answered are those most frequently asked the Information Unit. These changes have affected not only broad lines of policy, but the practical details of everyday business, many of which are now based on Community procedure. A number of Community policies, especially those on international trade, are already being significantly influenced by British priorities. The gradual but real change in the Community's attitude toward developing countries is an example of this.

While the 3 main parts of the booklet are not exactly the combination one might expect to find together, the sum total does make a significant contribution to answering, in a very concise form, a rather large number of possible questions about the Community. The booklet should prove most helpful to anyone who needs a concise check list of rather detailed information on the Community, particularly on industrial and trade questions.

APPENDIX I

SOCIAL BENEFITS BY FUNCTION (as % of total benefits)

	Belgium	Denmark	Germany	France	Ireland	Italy	Luxembourg	Netherlands	United Kingdom
Sickness	1970	21.8	28.7	26.3	25.3	28.7	26.3	26.7	26.8
	1972	23.0	27.8	29.0	26.7	29.2	26.1	27.0	26.3
	1975	23.5	32.1	30.1	28.2	29.2	32.2	27.2	27.3
Old age	1970	37.1	36.3	46.9	37.7	36.9	34.8	40.9	46.8
	1972	36.6	35.6	45.6	38.5	37.1	35.9	38.4	47.5
	1975	39.4	33.8	46.1	40.0	35.6	33.6	36.9	48.2
Invalidity	1970	8.9	12.7	8.0	1.3	9.8	14.2	15.2	7.8
	1972	8.4	13.5	7.3	1.2	10.4	14.3	17.6	8.0
	1975	8.3	13.8	7.2	1.2	9.9	14.7	20.4	8.2
Industrial injuries Occupational disease	1970	4.4	1.5	4.8	4.7	0.4	3.7	—	1.5
	1972	5.2	1.4	4.8	4.6	0.5	3.7	—	1.3
	1975	5.0	0.6	4.7	4.6	0.5	4.2	—	1.4
Unemployment	1970	4.5	3.1	0.5	1.0	5.7	1.1	3.2	4.3
	1972	5.4	3.6	0.8	1.1	5.7	1.6	4.1	5.1
	1975	4.6	3.7	0.6	1.3	6.0	1.1	4.1	3.5
Maternity	1970	0.7	1.3	0.9	1.1	2.0	2.0	0.5	2.2
	1972	0.6	1.4	0.9	1.6	1.8	1.6	0.5	1.9
	1975	0.5	0.4	0.8	1.5	2.3	1.6	0.4	1.8
Family benefits	1970	18.2	15.1	9.2	19.3	14.9	10.8	13.4	8.4
	1972	16.7	15.0	8.1	17.2	13.1	8.4	12.3	7.4
	1975	15.1	14.2	7.0	16.2	15.2	5.7	10.8	6.9
Miscellaneous	1970	4.4	1.3	3.4	9.6	1.4	7.1	0.1	2.2
	1972	4.1	1.8	3.5	9.1	2.0	8.4	0.1	2.5
	1975	3.6	1.3	3.5	7.0	1.3	7.3	0.3	2.7
Total benefits	1970	100	100	100	100	100	100	100	100
1972									
1975									

APPENDIX II

COMPOSITION OF THE ETUC EXECUTIVE COMMITTEE

President: H.O. VETTER

General Secretary: Theo. RASSCHAERT

Assistant General Secretary: P. CARLSEN

Members

BELGIUM	G. DEBUNNE (Vice President) F.G.T.B.	J. HOUTHUYS C.S.C.
DENMARK	T. NIELSEN (Vice President) Landsorganisationen	J. CHRISTENSEN F.T.F.
GERMANY	H.O. VETTER (President) D.G.B.	E. LODERER D.G.B.
	A. LAPPAS D.G.B.	
SPAIN	A.G. DUARTE U.G.T.	J.M. LEUNDA S.T.V.
FRANCE	A. BERGERON CGT-FO	E. MAIRE C.F.D.T.
GREAT BRITAIN	L. MURRAY (Vice President) T.U.C.	J. JONES T.U.C.
	R.W. BRIGINSHAW T.U.C.	
IRELAND	D. LARKIN I.C.T.U.	
ICELAND	B. JONSSON Althydusamband	
ITALY	B. STORTI (Vice President) C.I.S.L.	R. VANNI U.I.L.
LUXEMBOURG	M. HINTERSCHIED C.G.T.	J. SPAUTZ L.C.G.B.
MALTA G.W.U. G.W.U.
NETHERLANDS	W. KOK N.V.V.	W.J.L. SPIT (Vice President) N.K.V.
NORWAY	T. ASPENGREN LO Norway	
AUSTRIA	A. STRÖER (Vice President) Ö.G.B.	
SWITZERLAND	E. CANONICA S.G.B.	B. GRÜBER C.N.G.
FINLAND	A. VALIKANGAS T.V.K.	N. HAMALAINEN S.A.K.
SWEDEN	G. NILSSON LO Sweden	L. BODSTROM T.C.O.

APPENDIX III

HOURLY GROSS EARNINGS — OCTOBER 1973

GERMANY	All:	£1.09	BELGIUM	All:	£ .88
	Male:	£1.16		Male:	£ .93
	Female:	£ .82		Female:	£ .65
FRANCE	All:	£ .65	LUXEMBOURG	All:	£1.00
	Male:	£ .69		Male:	£1.02
	Female:	£ .53		Female:	£ .59
ITALY	All:	£ .67	DENMARK	All:	£1.43
	Male:	£ .72			
	Female:	£ .56			
NETHERLANDS	All:	£ .91	UNITED KINGDOM	All:	£ .83
	Male:	£ .96		Male:	£ .89
	Female:	£ .57		Female:	£ .55

- NOTE (1) Exchange rates used were those current in the last quarter of 1973.
- (2) Care should be exercised in drawing conclusions from this data, but it does provide a very broad comparison of money wages at a particular point in time.