

REPORT ON SOCIAL DEVELOPMENTS YEAR 1989

Brussels - Luxembourg

(Addendum to the 'Twenty-third General Report on the
Activities of the European Communities 1989' in accordance
with Article 122 of the EEC Treaty)



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Commission of the European Communities

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Document

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A. INTRODUCTION

INTRODUCTION

1989 was a remarkable year in a number of respects, not just in terms of international developments – especially in Eastern Europe – but also as regards the progress made towards the creation of a genuine "European social area".

In the course of 1989, the Commission took the necessary initiatives and the Council enacted legislation to enable the Community to attain a number of its priority objectives.

The Council concentrated on:

- . harmonizing minimum requirements for safety and health at the workplace;
- . instituting a common policy on training, with special reference to continuing training;
- . launching a policy on the social and occupational integration of disabled persons.

The Commission's programme of work for 1989 featured a major chapter on employment and the social dialogue, the main points being:

- . as regards employment:
 - . enhancing occupational mobility within the Community by means of a directive for the recognition of occupational training and qualifications,
 - . conducting an in-depth analysis of the new forms of employment,
 - . drawing up the programme on long-term unemployment;

as regards continuing and improving the social dialogue, creation of a steering group chaired by the Commission, with the task of providing a continuing stimulus, organizing the work and evaluating the joint opinions.

Major decisions have been taken in all the above fields. In particular, directives on safety and health at the workplace have been adopted in accordance with Article 118A of the EEC Treaty.

The most important event in 1989 in the social sphere at Community level was undoubtedly the adoption by eleven of the Member States at the Strasbourg Summit of the Community Charter of the fundamental social rights of workers and the adoption by the Commission of its action programme transposing the principles enshrined in the Charter into Community policy instrument proposals.

THE SOCIAL CHARTER: Background and content

Since 1988, the Commission has been considering in detail the social dimension of the internal market, the result being a communication in which the Commission identified the objectives and priorities of a Community social policy with the principles to be enshrined in a Community charter of basic social rights.

This was in line with the views expressed by the Heads of State and Government meeting at the Hannover Summit in June 1988, on which occasion the Council reiterated its desire to "...provide better protection for the health and safety of workers at their workplace...".

The European Council also stressed the need for improved access to vocational training, including training linked with work, and called on the Commission to make a comparative study of rules applied in the various Member States concerning working conditions.

In January 1989, these outline ideas were presented to the European Parliament by President Delors in the course of his statement on the broad lines of the Commission's work for his period of office, enlarging on them when he presented the Commission's programme of work for 1989 at the February part-session.

Subsequent to the opinion expressed on 22 February⁽¹⁾ by the Economic and Social Council and the Parliament Resolution of 15 March⁽²⁾ on the social dimension of the internal market, the Commission adopted an initial draft of the Community Charter of fundamental social rights on 30 May⁽³⁾.

Following an initial examination by the Council on 12 June⁽⁴⁾ and by the European Council meeting in Madrid on 26 and 27 June⁽⁵⁾, and after extensive consultations with the two sides of industry, the Commission adopted, on 27 September⁽⁶⁾, for transmission to the European Council, a draft Charter setting out for solemn adoption the principles on which the European pattern of labour law and, more generally, the European concept of society and the place of labour in that society were based.

(1) OJ C 102 of 24.4.1989 and EC Bull. 2-1989, point 2.1.75.

(2) OJ C 96 of 17.4.1989 and EC Bull. 3-1989, point 2.1.79.

(3) EC Bull. 5-1989, points 1.2.1 to 1.2.15 and 2.3.1.

(4) EC Bull. 6-1989, point 2.1.97.

(5) EC Bull. 6-1989, point 1.1.8.

(6) EC Bull. 9-1989, point 2.1.55.

The aim of the Charter is to proclaim a number of principles relating to improved working and living conditions, freedom of movement for workers (wage and salary-earners and the self-employed), employment and remuneration, social protection, freedom of association and collective bargaining, vocational training, equal treatment for men and women, information, consultation and participation for workers, safety and health protection at the workplace, protection of children and adolescents, the elderly and the disabled.

Whatever needs to be done to implement these rights will vary from case to case, depending on whether it concerns the Member States or their subordinate entities, or the Community, applying the subsidiarity principle. At any event, the active involvement of the two sides of industry will be required.

There was no need to amend the Treaty, as the idea was not to extend the Community's jurisdiction. At the European Council in Strasbourg on 8 December⁽⁷⁾, the Heads of State and Government of eleven of the Member States adopted the "Community Charter of the Fundamental Social Rights of Workers", to reflect their commitment to a model of social relations based on commonly-held traditions and practices.

On 29 November⁽⁸⁾, the Commission adopted a communication on its programme of action, setting out some forty initiatives corresponding to the principles laid down in the Charter.

Social Dialogue

The Commission relaunched the social dialogue on the basis of the conclusions reached at the Val Duchesse meeting on 12 November 1985. Important new conclusions were adopted on 12 January 1989 following the meeting with the European Trade Union Confederation (ETUC), the Union of Industries of the European Community (UNICE), and the European Centre of Public Enterprises (CEEP).

Following initial agreement on working methods, a steering group was set up to provide a continuing stimulus for the dialogue, organize the work and evaluate the resulting joint opinions. Agreement was also reached on priority subjects, viz. education, training and the prospects for a European labour market⁽⁹⁾.

(7) EC Bull. 12-1989.

(8) EC Bull. 11-1989. For more details, please refer to Social Europe No 1/90, part of which is devoted to the Social Charter and to the programme of work.

(9) For more details on the social dialogue, see Chapter 4, heading 4.1

Employment

On 19 July⁽¹⁰⁾, the Commission approved, for transmission to the Council, the European Parliament, the Standing Committee on Employment and the social partners, the first annual report on employment in Europe, which will form the basis of an annual discussion within the aforesaid Standing Committee.

The Commission also set up a new instrument for monitoring employment trends⁽¹¹⁾, and developed new lines of research on the economic and social consequences of completion of the internal market. It also reinforced the local employment development action programme (LEDA)⁽¹²⁾, continued to implement the conclusions reached by the Council on 1 December 1987⁽¹³⁾ on long-term unemployment and developed the European network for the exchange of information on local employment initiatives, ELISE⁽¹⁴⁾. Finally, the Commission strengthened the mutual information system on employment policies, MISEP⁽¹⁵⁾. On 30 November, the Council and the Ministers of Labour and Social Affairs meeting within the Council adopted a resolution on setting up a European employment observatory.

Working Conditions

On 20 June⁽¹⁶⁾, the Commission adopted a report on "rules governing working conditions in the Member States", which was submitted to the Madrid European Council. This report covers all the rules and regulations on working conditions in the private sector as well as the most important provisions in collective agreements. This new instrument at the disposal of the Member States will be updated regularly.

On 24 August, the Commission adopted, for transmission to the Council, a proposal for a Directive complementing the statute for a European company with regard to the involvement of employees in the European company.

(10) EC Bull. 7/8-1989, point 2.1.180.

(11) OJ C 51 of 28. 3. 1989 and EC Bull. 2-1989, point 2.1.76.

(12) Local employment development action programme: OJ C 161 of 21.6.1984 and 18th General Report, No 278.

(13) OJ C 335 of 15.12.1987 and 21st General Report, No 395.

(14) 20th General Report, No 461.

(15) 19th General Report, No 411.

(16) EC Bull. 6-1989, point 2.1.101.

European Social Fund

In accordance with the framework Council Regulation (EEC) No 2052/88⁽¹⁷⁾ on the reform of the structural funds and the Implementing Council Regulation (EEC) No 4255/88⁽¹⁸⁾ concerning the European Social Fund, the Commission, adopted on 15 January⁽¹⁹⁾, the guidelines concerning ESF intervention in respect of action against long-term unemployment (Objective 3) and the occupational integration of young people (Objective 4).

On 20 December⁽²⁰⁾, the Commission approved the Community Support Frameworks (CSF) for eight countries and two objectives, precedence being given to transnational actions, actions contributing to the modernization of the production structure, with special reference to small and medium-sized businesses, and training in the new technologies, particularly those related to Community research and development programmes.

EDUCATION AND VOCATIONAL TRAINING

There were two meetings of the Council and the Ministers of Education in 1989, with agreement being reached on the principles of Community policy and close cooperation on education in the run-up to 1993.

In May, the Council reached agreement on the Lingua programme aimed at promoting foreign language competence to facilitate communication within the Community. The programme budget will be 200 million ECU covering the the period 1990-1994.

The Council also adopted a decision authorizing negotiations with whatever EFTA countries so wished with a view to cooperating on training in technology under the COMETT II programme.

In December, the Council amended the ERASMUS programme and increased its budget to 192 million ECU for the period 1990-1992.

On the vocational training front, it is worth mentioning the Council Decision setting up the EUROTECNET programme for a period of five years. EUROTECNET is designed to promote innovation in the field of vocational training to take account of technological change and its impact on employment, work and the requisite qualifications and skills. It comprises a network of national or transnational innovatory projects and a series of Community measures designed to support and supplement measures taken by and within the Member States.

(17) OJ L 185 of 15.7.1988 and 22nd General Report, No 733.

(18) OJ L 374 of 31.12.1988 and 22nd General Report, No 534.

(19) OJ C 45 of 24.2.1989 and EC Bull. 2-1989, point 2.1.77.

(20) EC Bull. 12-1989.

The Ministers of Education meeting within the Council approved:

- two resolutions on education for children from itinerant populations;
- conclusions on technical and vocational education and basic training;
- conclusions on relations with Eastern European countries on education and training.

The Council also adopted:

- a resolution aimed at combating failure at school;
- a resolution calling on the Commission to submit an action programme on continuing vocational training to take account of the possibilities offered by the European Social Fund, COMETT and EUROTECNET;
- conclusions on the status of European schools.

LIVING CONDITIONS

In 1989, the Community stepped up its anti-poverty efforts.

On 18 July 1989, the Council adopted a "medium-term Community action programme concerning the economic and social integration of the economically and socially less-privileged groups in society" (1989-94)⁽²¹⁾, which extends the Community's anti-poverty efforts by a further five years, at the same time widening the scope and providing support for more ambitious projects to serve as a model for a local partnership scheme. This programme has a budget of 55 million ECU.

On 29 September, the Council and the Ministers of Social Affairs meeting within the Council adopted a resolution⁽²²⁾ on combating social exclusion and stressing the need for complementarity between guaranteeing adequate aid and integration measures.

With a view to implementing these texts, the Commission started work on

- setting up an observatory for policies aimed at combating social exclusion;
- preparing a recommendation on common criteria on what are deemed to be adequate resources and benefits in social protection schemes.

(21) OJ L 224 of 2.8.1989 and EC Bull. 7/8-1989, point 2.1.104.

(22) OJ C 277 of 31.10.1989 and EC Bull. 9-1989, point 2.1.61.

On 12 June, the Council adopted conclusions⁽²³⁾ on the employment of disabled people in the Community, and the Commission adopted, on 27 September⁽²⁴⁾, a report on the establishment of a computerized information system on disability questions (HANDYNET).

On 18 December⁽²⁵⁾, the Council decided to continue development of this system in the context of the HELIOS programme⁽²⁶⁾.

Other points:

- . on 10 May⁽²⁷⁾, the Commission adopted a recommendation on the introduction of an over-60s card;
- . on 29 September, the Council and the Ministers responsible for family affairs meeting within the Council adopted a set of unanimous conclusions⁽²⁸⁾, following examination of the Commission's communication on family policy of 8 August⁽²⁹⁾;
- . on 11 May⁽³⁰⁾, 18 July⁽³¹⁾ and 30 October⁽³²⁾, the Council adopted three regulations on social security for migrant workers and members of their families.

SAFETY AND HEALTH

On 12 June, the Council adopted Directive 89/391/EEC⁽³³⁾ constituting the framework for all other directives to be adopted in the field of safety and health at the workplace under Article 118a of the EEC Treaty.

These include three individual directives adopted by the Council on 30 November and designed to lay down minimum requirements for:

- . the workplace⁽³⁴⁾;
- . work equipment⁽³⁵⁾;
- . personal protective equipment⁽³⁶⁾.

(23) OJ C 173 of 8.7.1989 and EC Bull. 6-1989, point 2.1.102.

(24) EC Bull. 9-1989, point 2.1.62.

(25) OJ L 393 of 30.12.1989 and EC Bull. 12-1989.

(26) 22nd General Report, No 488.

(27) OJ L 144 of 27.5.1989 and EC Bull. 5-1989, point 2.1.107.

(28) OJ C 277 of 31.10.1989.

(29) EC Bull. 7/8-1989, point 2.1.108.

(30) OJ L 131 of 13.5.1989 and EC Bull. 5-1989, point 2.1.106.

(31) OJ L 224 of 2.8.1989 and EC Bull. 7/8-1989, point 2.1.106.

(32) OJ L 331 of 16.11.1989 and EC Bull. 10-1989, point 2.1.86.

(33) OJ L 183 of 29.6.1989 and EC Bull. 6-1989, point 2.1.105.

(34) OJ L 393 of 30.12.1989 and EC Bull. 11-1989, point 2.1.99.

(35) OJ L 393 of 30.12.1989 and EC Bull. 11-1989, point 2.1.100.

(36) OJ L 393 of 30.12.1989 and EC Bull. 11-1989, point 2.1.101.

Two other proposals for individual directives on workstations incorporating display screens⁽³⁷⁾ and work involving the handling of heavy loads⁽³⁸⁾ were amended by the Commission⁽³⁹⁾ in the light of the opinions delivered at first reading by the European Parliament⁽⁴⁰⁾. The Council adopted common positions on these two proposals, on 30 October⁽⁴¹⁾ for the latter and on 30 November⁽⁴²⁾ for the former.

On 24 May⁽⁴³⁾, the European Parliament adopted two opinions at first reading on proposals for directives regarding protection of workers from the risks related to exposure to biological agents⁽⁴⁴⁾ and carcinogens⁽⁴⁵⁾ at work, the latter being the subject of a common position of the Council adopted on 30 November⁽⁴⁶⁾.

Finally, the Safety and Health Commission for the Mining and Other Extractive Industries held three plenary meetings, adopting:

- . a report for presentation to the European Parliament on measures to reduce the risk of explosion and fire in mines⁽⁴⁷⁾;
- . proposals to the Governments of the Member States to reduce the health risk associated with exposure to dust in mines (other than coalmines) and quarries (47);
- . a code of good practice for the application of Directive 86/188/EEC⁽⁴⁸⁾ on the protection of workers from the risks related to exposure to noise in underground workings in the extractive industries (47).

(37) OJ C 113 of 29.4.1988 and 22nd General Report, No 499.
(38) OJ C 117 of 4.5.1988 and 22nd General Report, No 499.
(39) OJ C 129 of 25.5.1989, OJ C 130 of 26.5.1989 and EC Bull. 4-1989, point 2.1.1991.
(40) OJ C 326 of 19.12.1988, OJ C 12 of 16.1.1989 and 22nd General Report, No 499.
(41) EC Bull. 10-1989, point 2.1.92.
(42) EC Bull. 11-1989, point 2.1.102.
(43) OJ C 158 of 26.6.1989 and EC Bull. 5-1989, point 2.1.117.
(44) OJ C 150 of 8.6.1988 and 22nd General Report, No 508.
(45) OJ C 39 of 8.2.1988 and 22nd General Report, No 495.
(46) EC Bull. 11-1989, point 2.1.103.
(47) 22nd General Report, No 505.
(48) OJ L 137 of 24.5.1988 and 22nd General Report, No 507.

As regards public health, the Council and the Ministers of Health meeting within the Council adopted, on 16 May⁽⁴⁹⁾, conclusions on various aspects regarding the prevention of AIDS, a resolution on a European network of health data on drug abuse and conclusions on the reliability of tests to detect the use of illicit drugs.

They continued their work, adopting on 13 November⁽⁵⁰⁾ conclusions on the introduction of coordinated measures on the prevention of drug addiction and the care of drug addicts and on a European emergency health card. At the same meeting, the Council and the Ministers also agreed on the substance of a resolution on the prevention of AIDS, laying down common principles and an action plan in the fields of research, international cooperation and monitoring of the epidemiological situation.

On 9 November⁽⁵¹⁾, the Commission adopted, for transmission to the Council, a communication on the improvement of the general system for collecting epidemiological data on HIV infection in the Community.

As regards toxicology, the Commission adopted, on 18 October⁽⁵²⁾, for transmission to the Council, a proposal for a resolution on improving the prevention and treatment of acute intoxication in man.

On the cancer front, the Council and the Ministers of Health meeting within the Council adopted, on 18 July⁽⁵³⁾, a joint resolution on banning smoking in places open to the public. On 13 November, the Council adopted Directive 89/622/EEC⁽⁵⁴⁾ concerning the labelling of tobacco products.

(49) OJ C 185 of 22.7.1989 and EC Bull. 5-1989, points 2.1.112 and 2.1.114.

(50) EC Bull. 11-1989, points 2.1.98, 2.1.95 and 2.1.97.

(51) EC Bull. 11-1989, point 2.1.96.

(52) OJ C 291 of 20.11.1989 and EC Bull. 10-1989, point 2.1.88.

(53) OJ C 189 of 26.7.1989 and EC Bull. 7/8-1989, point 2.1.109;
Commission proposal: OJ C 32 of 8.2.1989 and EC Bull. 1-1989, point 2.1.48.

(54) OJ L 359 of 8.12.1989 and EC Bull. 11-1989, point 2.1.91;
Commission proposal: OJ C 48 of 20.2.1988 and 22nd General Report, No 496. OJ C 62 of 11.3.1989 and EC Bull. 10-1989, point 2.1.89.

The Commission adopted, on 30 March⁽⁵⁵⁾ and 10 May⁽⁵⁶⁾ respectively, a proposal for a directive on the advertising of tobacco products in the press and by means of bills and posters, and a proposal for a resolution on a second plan of action 1990-1994 under the "Europe against cancer" programme⁽⁵⁷⁾. This latter proposal for a resolution received a favourable opinion from the Economic and Social Committee on 19 October⁽⁵⁸⁾ and agreement on the substance by the Council on 13 November⁽⁵⁹⁾.

On 26 July⁽⁶⁰⁾, the Commission amended its proposal for a directive on the maximum tar content of cigarettes⁽⁶¹⁾, the Council adopting a common position on 13 November⁽⁶²⁾. Finally, on 8 November⁽⁶³⁾, the Commission adopted a recommendation on the training of health care personnel in matters relating to cancer.

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- (55) OJ C 124 of 18.5.1989 and EC Bull. 3-1989, point 2.1.85.
(56) OJ C 164 of 1.7.1989 and EC Bull. 5-1989, point 2.1.111.
(57) OJ C 50 of 26.2.1987 and 20th General Report, No 317.
(58) OJ C 329 of 31.12.1989 and EC Bull. 10-1989, point 2.1.90.
(59) EC Bull. 11-1989, point 2.1.93.
(60) OJ C 228 of 5.9.1989 and EC Bull. 7/8-1989, point 2.1.110.
(61) OJ C 48 of 20.2.1988 and 22nd General Report, No 496.
(62) EC Bull. 11-1989, point 2.1.92.
(63) OJ L 346 of 27.11.1989 and EC Bull. 11-1989, point 2.1.94.

B. SOCIAL DEVELOPMENTS IN THE COMMUNITY IN 1989

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CHAPTER I : EMPLOYMENT

(Including migrant workers)

1.1 Trends within the Community

At the dawn of the new decade the general situation in the European Community seems quite promising. Major steps have been made towards financial, monetary and social integration and the basic results achieved in the 1980s represent progress towards increasing economic growth and an improvement in the labour market.

For a number of reasons the current period of economic growth is creating more jobs than that which occurred in the Sixties : the relative cost of the factors of production is more favourable to labour; new ways of organizing labour have made it more flexible; cutting working hours and extending part-time working as well as increases in the service sector have also underpinned this trend.

Thus in 1989, as in 1988, an economic growth rate of about 3% has resulted in an increase of more than two million jobs. A growth rate which is forecast to be slightly slower in 1990 should bring about an increase in employment of around 1.3 million jobs.

This welcome development in the labour market is, however, not sufficient to bring about a corresponding fall in unemployment, which remained at an annual average of 9%. The labour force continues to grow for a number of reasons, and it is particularly noteworthy that the working age population and the rates of employment for women are constantly rising.

Moreover, it must be stressed that growth areas do not correspond to unemployment areas : Luxembourg may have an unemployment rate of less than 2% but in many other regions where development is slow or where industrial reconversion is in progress, as well as for certain population categories, unemployment is still topping 20%.

A source of particular concern is the increasing average duration of unemployment among the long-term jobless while in the case of those who have become unemployed more recently, the period of unemployment is becoming shorter. In time this may bring about a paradoxical situation in which in spite of a high level of unemployment the scarceness of labour could hamper growth even if the potential for growth, as such, is enhanced by the prospect of the achievement of an internal market.

The Member States have all fully grasped this risk and are actively pursuing measures :

- . to combat unemployment among young people by providing incentives to take them on and allowing them to acquire the necessary basic work experience;
- . to combat long-term unemployment by organizing training and re-integration programmes. The occupational integration minimum income introduced by France as well as an innovative project for counselling interviews launched in the Netherlands deserve special mention.

As far as migrant workers are concerned, all the Member States are attempting to impose strict controls on entry and residence permits granted for employment while at the same time seeking to ease integration and improve the quality of life for those groups already legally resident.

Although Ireland is still a country with a high rate of emigration the countries of southern Europe are, by way of contrast and to varying degrees, becoming host countries for immigrants, particularly people from third countries who arrive illegally or who have become legal residents since their arrival.

1.2 The situation in the Member States

Belgium

The plan to reduce temporarily employers' social security contributions, introduced by the programme law of 30 December 1988, merges and harmonizes into a single scheme the benefits made available by three Royal Decrees between 1982 and 1986. It extends the field of application and affects all private sector employers, natural persons and corporate entities.

The aim of the plan is two-fold : to improve competitiveness of firms and to facilitate the re-integration of the elderly unemployed, the long-term unemployed or of persons on the registers of the national fund for the handicapped. More generous provisions apply for first-time job seekers and the aim is to promote the establishment of new firms.

The following associated measures are also noteworthy :

- . the Framework Law of 6 January 1989, which allows public authorities to intercede in collective bargaining procedures to safeguard or re-establish the competitiveness of the national economy⁽¹⁾;
- . the Programme Law of 6 July 1989, which includes a number of measures aimed at more effective monitoring of the payment of social security contributions and at terminating the activities of suppliers of casual labour⁽²⁾.

Although the problem of unemployment remains a central issue, attention should already be given to the possibility of a shortfall in labour supply due to unfavourable demographic trends. Problems could arise with time and, against this new background, it will be essential to attract increasing numbers of women to the labour market.

It is for this reason that the Ministry of Employment and Labour has set up a think tank to work out proposals for greater harmony between the constraints of the world of work and the organization of family life. The first guidelines were submitted in June in a paper on the socio-economic profile of families with children.

As regards immigration, a Decree of 7 March set up a royal commission to examine the problem and propose action to be taken on the subject of the immigrant population.

(1) cf Chapter 4, p.4

(2) cf Chapter 8, p. 2

In addition,

- . the bonus payable upon return to the country of origin was scrapped since it fell short of expectations;
- . a Royal Decree of 14 August put an end to the discriminatory treatment of Moroccan and Tunisian nationals qualifying for a bridging grant between the end of their studies and their first job due to the lack of a reciprocal agreement.

Denmark

The main development to be reported was the reorganization of the Ministry of Labour, which was carried out as part of the action plan to "debureaucratize" the public sector published in December 1988.

Other measures included:

- . the new law on the equality of treatment between men and women as regards employment and holidays which came into force on 1 May.

Immigration policy was thoroughly debated by Parliament in May. There was unanimous agreement on the need to promote actions in aid of integration; budgetary resources were approved for an information campaign on mutual understanding and tolerance.

Federal Republic of Germany

The 9th amendment to the Employment Promotion Law (AFG - Arbeitsförderungsgesetz), in force since 1 January, is intended to offset the increasing deficit at the Federal Labour Institute. The federal authorities were unable to take on the whole of the deficit, and increasing contributions would have increased associated wage bills and worsened firms' competitiveness, with employment suffering as a result. Preference was therefore given to a programme to consolidate and rationalize aid packages linked to the labour market.

At the same time specific measures in aid of the long-term unemployed were decided :

- . wide-ranging discussions between all the parties affected by long-term unemployment were organized regionally by the Federal Labour Institute (Bundesanstalt für Arbeit). These "social responsibility panels" would be based on local initiatives already launched and would organize the distribution of information;

- . employers taking on people unemployed for more than one year would qualify immediately for temporary subsidies to meet wage bills;
- . new instruments, not included in the AFG, are being studied in order to provide more effective help for certain problem groups among the unemployed.

In 1989 more than 800 000 workers and members of their families arrived from the GDR and other Eastern Bloc countries. Those from the GDR, the youngest and most highly qualified, were placed in a wide variety of jobs on the labour market. In the case of the second group, an integration programme has been developed and in particular language courses have been organized.

After much coverage in the press and much discussion in the circles concerned of a number of bills concerning the "admission and residence of foreigners", the Ministry of the Interior drew up, on 13 December, the text of a compromise, which is due to become law in 1990. The proposal is for action on two levels : to tighten up on immigration controls while at the same time improving the legal conditions governing the residence and integration of local residents.

Greece

Law No 1836/89 set up a National Council for Employment and Vocational Training under the aegis of the Ministry of Labour. This Council was given the task of setting the general guidelines for employment policy and promoting coordination between the departments responsible for vocational training programmes and employment.

The Government also replaced and updated legislation governing the procedures and conditions for employing minors. Far-reaching socio-political changes in Greek society had made this revision of the law necessary.

The number of illegal immigrants apparently far exceeds the number of those legally registered. Local authorities were invited to step up their efforts against the employment of illicit labour and to carry out a more thorough examination of conditions on the labour market before granting work permits to foreigners.

Lastly, the Government increased its endeavours on behalf of Greeks resident abroad - in October a law set up the World Council of Emigrant Greeks.

Spain

At the round table discussions on employment held in April the Government put before the social partners a general, five-point proposal;

- . to promote the employment of the young by broadening the scope for practical training for young people with no prior job experience;
- . to promote stable employment by reserving a range of financial incentives for the creation of open-ended employment contracts;
- . to promote the social economy by creating a series of measures for the members of cooperatives corresponding to the programmes set up for benefit of the wage and salary earners;
- . to develop vocational training by means of tripartite agreements to permit unrestricted access to continuing training in all firms, including SMEs, and by ensuring greater cooperation in this field between the authorities and the social partners;
- . to prevent fraud by linking the granting of subsidies to a closer check on the size and composition of staff in firms.

In a Ministerial Order of 10 June 1989 the Government set out the aid programme for Spanish emigrants and illegal immigrants/emigrants ranging from the granting of aid to returning emigrants to training programmes and the promotion of employment and social and cultural life.

Other measures include :

- . Royal Decree-Law 3/1989 of 31 March which substantially widened the system of unemployment benefits and introduced supplementary measures for the benefit of groups with special difficulties;
- . the setting up of the General Emigration Council, which would allow emigrants to let their views be known to the Spanish national authorities.

France

In September the Government adopted an employment plan covering a range of economic and social policies. It is centred on five main objectives :

- . to encourage recruitment by lowering the cost of labour;

- . to encourage shorter working hours and the improvement of the service life of equipment;
- . to create a climate which would support dynamic enterprises by reducing taxes;
- . to improve the quality of public service by simplifying job-creation programmes;
- . to devote particular effort to help those people most threatened by exclusion.

The introduction of the occupational integration minimum income (RMI) forms part of this last package⁽³⁾.

The effectiveness of the programme will depend on the effectiveness of the re-integration measures. These include, in some cases, social re-adaptation programmes; in many cases training programmes leading to qualifications; and lastly, in all cases, employment contracts, either of a general nature or in a working environment.

Programmes have been launched to facilitate the establishment of new firms in order to promote the creation of new jobs. The counselling voucher, launched this year, is intended to reduce the failure rate among new firms (50% go under within three years of starting up). The set of vouchers covers 15 hours of services by any approved body, 75% of the cost of the services being borne by the Government.

As far as immigration is concerned, the law of 2 August on the conditions governing the admittance and residence of foreigners will strengthen the rights of foreigners with family ties in France and offer greater protection to those at risk of deportation. New measures have also been taken to step up controls on illicit labour and the illegal employment of aliens.

Ireland

The difficulty of the situation on the labour market is at the root of emigration, which has run at an average of 33 000 per annum over the last five years, or 1% of the population. About 7% of young people who have finished their courses of study emigrate.

The new Government has put the creation of jobs on its list of priorities for the next four years. The policies envisaged include tax reform and macro-economic programmes aimed at keeping interest and inflation rates as low as possible.

With this aim in view the Minister of Labour announced a series of measures aimed at making use of the improved general economic climate to create more jobs. These measures include a reduction in

(3) cf Chapter 8, p. 6

employers' social security contributions when jobs are given to those who have been unemployed for at least 13 weeks and an increase in the grants for new businesses.

This plan also includes aid packages for the socially disadvantaged, in particular in run-down city areas.

Moreover, the National Development Plan for the period 1989-1990 also has provision for investments totalling 13 billion ECU, of which one third will come from the Community structural Funds. A quarter of this amount is earmarked for education, training and employment programmes.

Italy

The Ministry of Labour launched a new initiative aimed at the young unemployed in Southern Italy. Those targeted will receive a gross monthly allowance of LIT 500 000 to follow a course or a vocational training programme. The firm taking them on after such training will also receive a wage subsidy over a number of years, on condition that the contract is signed for an initial period of at least five years. Lastly, the subsidy may be obtained along with the social security contribution relief available to firms in the South⁽⁴⁾.

The new Government, which took office in July, intends to pursue an unemployment policy which facilitates the access of young people and women to the labour market and to vocational training. It will also be necessary to bring the cost of production factors into line with the levels found in the other Member States of the Community.

Decree-Law No 416 of 30 December relates to the right to residence and asylum of non-Community citizens as well as to legalizing the status of illegal residents. The Decree annuls the "geographical constraint" with regard to requests for asylum, contains provision for a new period for legalizing the status of illegal immigrants and guarantees equality of treatment between Italian citizens and aliens. Italy has also undertaken to participate more fully in the definition of a Community policy on the nationals of non-Community countries.

Luxembourg

In its declaration of 24 July to the Chamber of Deputies the Government undertook to devote particular attention to employment. The whole range of employment-fostering programmes would be reorganized to ensure greater effectiveness; a social reintegration plan would be developed to help the elderly unemployed or the long-term unemployed and the occupational integration of young people would be improved.

(4) Partial relief on employers' contributions to the national health service was extended in 1989. Cf Chapter 8, p. 8

The Government undertook to hold discussions with the two sides of industry to review the scope for amending legislation on the duration of work in order to render more flexible the framework within which the duration, pattern and methods of reducing working hours can be negotiated.

Action for the benefit of migrant workers includes :

- . the setting up at the beginning of the year of a training service for socio-cultural organizers from within the immigrant communities;
- . the Grand-Ducal Regulation of 5 August on the mandatory setting up of consultative committees for foreigners in municipalities with more than 20% foreign residents. The members of these committees are nominated by the local council.

Netherlands

In 1989 the Government pursued its policy of keeping wage levels down and cutting public expenditure in order to maximize the benefit of economic growth and reduce unemployment levels. The freezing of the minimum wage should in particular help to maintain or increase the number of low-paid jobs available.

Since the beginning of the 1980s unemployment has fallen very considerably (in 1989 115 000 jobs were created and 35 000 unemployed people found new work). This fall was, however, less than expected. The number of unemployed aged over 35 has fallen, but unemployment among ethnic minorities continues to climb.

In response to these problems the following steps were taken :

- . a new system of grants was introduced to allow unemployed persons to follow sectoral training courses,
- . 5 000 long-term unemployed persons benefited from a work experience programme in the State-subsidized sectors,
- . the law granting subsidies to employers taking on long-term unemployed persons was extended,
- . a pilot programme to encourage employers to take on the long-term unemployed was launched in the capital goods sector,
- . various authorities are working together to coordinate vocational training programmes to cater for emigrants wishing to return.

The measures implemented with regard to immigration include the following:

- . since 1982 an Interministerial working group on Policy towards Women and Minorities has been developing experimental projects in various fields, including employment, and these are to be converted into positive action plans over the next four years;
- . with effect from 12 August persons granted asylum and most aliens allowed into the Netherlands for reasons of family ties no longer need a work permit to secure a job.

Portugal

Decree-Law No 124/89 of 14 April set up a new legal framework for private employment agencies. They now have to have a licence (profit-making agencies) or an authorization (non profit-making agencies), which is issued by the Ministry of Employment and Social Security. The Decree also set the maximum charges that profit-making agencies may levy and prohibits the agency from operating jointly as an employment agency and a temporary manpower supplier.

With a view to adapting Portuguese law to the laws in force in the remainder of the Community, various provisions were amended with regard to :

- . employment contracts : new procedures for the termination of contracts were introduced for specific circumstances defined on the basis of objective criteria linked to the firm; the field of application of fixed-term employment contracts was limited in order to control the spread of their use;
- . unemployment benefits : the concept of unemployment was broadened, the period during which benefits can be obtained was extended depending on the age of the unemployed person, and the retirement age was also lowered to 60 years;
- . long-term unemployed : Decree-Law No 64/C/89 introduced temporary relief for employers' contributions.

There was an appreciable fall in the numbers emigrating from Portugal and it is now running at around 9 000 departures a year, of which less than 1 000 are for European destinations. The Government pursued its policy of supporting Portuguese communities abroad by means of vocational training programmes and help for Portuguese returning home (better information and more facilities for learning the language).

United Kingdom

The UK has seen record falls in unemployment amongst young and old, in all regions and in all durations including the long term unemployed. In December 1988 the Government published its White Paper "Employment in the 1990s" which was aimed at building on this success. Its aims were threefold, the removal of unnecessary barriers to employment, to increase knowledge amongst employers and employees of demographic changes in the 1990s and to urge employers to re-consider their retention, recruitment and training policies, and to promote the importance of training.

- . Of the specific measures in the White Paper one of the first measures implemented was the setting up of a national network of councils with responsibility for organizing training programmes as well as promoting and supporting the local development of small firms. These TECs (Training and Enterprise Councils) comprise mainly top management representatives from the private sector along with other well-known names active in the local economic development. The TECs will gradually become established over the next three or four years but the first councils have been active since the beginning of 1989.

- . A new programme (Jobstart 50 +) was tried out in a number of high-unemployment regions. It encouraged the over-50s unemployed for longer than one year to accept part-time jobs by paying them a subsidy of UKL 20 a week. The aim was to help the elderly unemployed to re-enter the labour market to make up for the drop in school leavers. These part-time jobs are not intended to be anything other than a stage in the regaining of full-time employment.

Combating social security fraud is also a top priority : 800 inspectors were deployed in 1989. Only the most flagrant and serious cases are prosecuted and each pound spent in combating fraud saves the authorities UKL 4.50. The Government recently resolved to step up controls on the underground economy, in particular in the prosperous South East. The investigators have adopted a more active and far-reaching approach and their investigations frequently reveal the complicity of employers.

The Home Secretary laid before parliament on 14 June a statement of changes in Immigration Rules which incorporates various amendments since the publication of the last consolidated set of rules in February 1983 and makes a number of further changes, including the introduction of a visa requirement for nationals of Turkey and Haiti.

The Department of Employment published a report in May in which it surveyed the legislation on work permit controls and invited interested parties to submit their views and comments.

1.3 Additional Information

Report on employment

The report published in 1989 is the first of an annual series. It covers a wide range of employment-related problems placing the Community in a world-wide context and drawing the political lessons from the analyses presented. The report is aimed at a wide readership in the Member States.

Office for Official Publications of the European Communities,
L-2985 Luxembourg, and national sales offices

InforMisep

The Misep (Mutual Information System on Employment Policies) is a network of national experts who provide information on any changes occurring in the policies and programmes of their national governments which affect employment. These changes are published in summary form in a quarterly information bulletin, InforMisep, which also includes an index by subject-matter and an index by country.

European Centre for Work and Society - BP 3073, NL6202
NB Maastricht

System

The European documentation system on employment forms part of the future European Employment Observatory (Council Resolution of 30 November 1989). Starting in 1990, a quarterly publication will describe the main trends and provide information on developments in employment in the Member States.

Information Unit - ECOTEC - Square de Meeus, 25, B-1040 Brussels

Elise News

This network for the exchange of information and experience concerning employment initiatives is published monthly and contains news of Community and national programmes in the field.

Elise - AEIDL, 34 Rue Breydel, B-1040 Brussels

Ergo news

Part of the action programme to combat unemployment, this quarterly information bulletin describes action currently being taken and sets out solutions envisaged for long-term unemployment.

ERGO-CEI, 205 Rue Belliard, B-1040 Brussels

Leda Magazine

Part of the action programme for local employment development, this magazine provides information on 24 pilot areas where various job promotion strategies are under study.

cf Elise

CHAPTER II : EDUCATION

2.1 Trends within the Community

All Member States will have to cope with the changes induced and the prospects opened up by the internal market. Facing this challenge, there is a strong awareness that well-trained human resources are the potential and creative energy of the Community.

Thus efforts are directed towards a better organization and a better management of the education systems in order to obtain higher standards for basic knowledge, a wider range of skills offered, a closer compliance with growing social needs.

Major reforms are being undertaken along these lines in many countries. The United Kingdom implemented its national curriculum in England and Wales after a decision taken last year. France granted first priority to educational policies and passed a law in July which defined their basic principles for the next decade. Other fundamental changes occurred in Denmark, Ireland, Luxembourg and the Netherlands.

Four common trends can be pointed out.

- . A major concern is the quality of education and the improvement of basic standards. More attention is now given to pupils' guidance which is increasingly seen as a continuous dialogue between the young people, their parents and the teachers. Special attention is also devoted to the recruitment and training of teachers: they are offered in-service training as well as new financial and career opportunities.
- . The contents of programmes are adapted to changing needs and are made more flexible. In this context, new courses in information science as well as the use of information technologies are being introduced at all levels of education. Vocational training is also more related to industrial needs and part-time schooling or apprenticeship is given more importance where it had been set aside or suppressed.
- . Priority is given to further education which should become in coming years a "fourth pillar" of all education systems.
- . Greater autonomy is granted to schools and more so to higher education institutions. Achievement of higher standards, quicker adaptation of programmes and better allocation of low financial resources are expected thereby.

Finally, in view of the future European labour market, many higher education institutions are intensifying their cross-boarder cooperation, developing partnerships in common study courses for instance. Community programmes like ERASMUS and COMETT have made a leading contribution to this evolution.

2.2 Situation in the member States

Belgium

As from 1 January, the language communities took over their new responsibility for education according to the amended Article 59 (bis) of the Constitution. The former national administration was thus transferred to community level.

The Autonomous Council for Community Education (Autonome Raad voor het Gemeenschaponderwijs) was officially established and is responsible for all but some aspects of education in the Flemish community. The same responsibilities are shared in the French community by two ministers representing the two coalition parties.

In the Flemish community, various changes have been implemented since 1 January. The main one is the extension to all schools of the new framework for secondary education which was already adopted in the rest of the country. This framework consists of three grades lasting two years and the first grade is meant to give a broad basic training to all students.

Also of major importance is the strong support given to the learning of foreign languages. In higher education, all activities concerning another national language or a foreign language are to be taught in that language. Furthermore, foreign teaching staff entrusted with any educational activity in the framework of EC exchange programmes or of cultural agreements may now teach in a language other than Dutch.

It should also be noted that:

- . short-term higher education in economics was extended to three years instead of two;
- . training for nurses was extended from three to five specializations and thus to five different diplomas;
- . a Royal Decree of 1 January specifies conditions under which Belgian students of non-university higher education institutions may take examinations in another Member State;
- . various advisory bodies were set up and two of them treat problems related to migrant education and to special education;
- . it was decided to organize company placement for teachers of information science;

- . the creation of an Inspectorate for education should reinforce school guidance by PMS centres (centres psycho-médico-sociaux);
- . a financial reform is on its way and extensions of registration fees to short-term higher education as well as to adult education are being considered; only a few decrees have been adopted so far providing new regulations for working bonuses and university construction programmes.

Few initiatives were launched in the French community. At least one of them must be mentioned: schemes were drawn for "Priority Education Zones" aiming at the prevention of school failures. The first pilot experiment started in September.

Also of interest are:

- . pilot experiments in inter-cultural education carried out in Brussels;
- . undertaking of two European Action Research Programmes initiated by the European Community in order to implement the European Resolution on Equal Opportunities for boys and girls in education;
- . several committees set up to give advice, among other things, on the appropriateness of technical and vocational training in relation to the working world as well as on the needs regarding teacher training or academic failures and school drop-outs which, again, have become a major concern;
- . some proposals already laid down that should result in a fundamental restructuring of technical and vocational education and of primary education;
- . efforts made to open further some options in secondary education to sports and cultural or artistic activities.

Denmark

The Folketing approved a management reform for the folkeskole. As from 1990:

- . each school will have a board of administration with extended powers;
- . regulations governing the first level of education will be greatly simplified;
- . municipalities will be given more freedom to adjust cost expenses to the decreasing number of pupils through the closing of schools and the introduction of unstreamed classes.

The Parliament also approved a comprehensive reform of the basic vocational training with effect from 1991. One-stream courses will be given two modes of entry either through apprenticeship - thus being reintroduced - or through a learning period at school.

"Open learning" already applied by commercial schools was extended to other branches and completed with new distance education and independent study programmes.

Other initiatives were discussed by Parliament and are expected to be adopted in 1990. They concern:

- . a reform of upper secondary schools along the same lines as that of the Folkestole;
- . a more flexible curriculum and a broader range of qualifications for the social and health studies;
- . a new admission system to higher education courses.

Finally a pilot experiment was launched by the Ministry of Education with the purpose of raising the quality of teaching and improving the contents of courses across disciplinary and institutional boundaries.

Federal Republic of Germany

The change of attitude towards higher education on the part of parents and students is expected to extend further within the next few years. Hence, the number of transitions to universities will continue to grow steadily as will the number of university students, even though demographic trends tend to contradict this evolution. If the average duration of studies were to decrease strongly, the total number of students would still be no less than 1.2 million per annum (from 1.5 million today) in the foreseeable future.

As a consequence:

- . the funds allocated for university expansion in the 1989 budget were raised accordingly, as were the funds for the German Research Council (Deutsche Forschungsgemeinschaft);
- . on 10 March, the Federal and Länder Governments decided on a joint programme to extend teaching capacity in particularly overcrowded courses;
- . on 21 September, the same Governments signed an agreement to promote post-graduate courses (Gradulertenkollegs);
- . measures were taken by the Education Ministers of the Länder to shorten duration of schooling and to align it on that of other EC Member States.

Since December 1987, when a concerted action was initiated (Konzertierte Aktion Weiterbildung), a particularly strong support has been given at Federal and Länder levels to make further education a "fourth pillar" of the education system. After the publication in the Autumn of 1988 of a report by the Commission of the Federal and Länder Governments on the "Qualification of Women in the Scientific and Technical Professions", the Federal Minister for Education and Science implemented pilot experiments which link elements of general and vocational further education and which are designed to give women a selective support on the job market.

Greece

A secretariat for special education was created in the Ministry of Education and 150 professionals were appointed in special education units on a country-wide basis. Strong efforts bear on a policy of school integration and 83 new special classes were instituted in regular schools in order not to separate from others those children with special education needs.

Other changes concern:

- . the structures and names of higher education institutions;
- . the abolition of the credit award for student attendance in technological schools (Technologika Edpaedevtika Idrymata) and its replacement by other forms of evaluation;
- . a significant increase in the number of primary schools operating under the "Trial Application of New Programmes";
- . priority given to foreign languages (especially French and English) as soon as in primary schools;
- . priority given to physical education at all levels and its enhancement by a Panhellenic School Championship.

Spain

The debate on the "Draft Reform of Education" which began in mid-1988 culminated in the "White Book for the Reform of the Educational System", published at the end of April, following an agreement on basic points between the Ministry of Education and Science and the autonomous Communities.

A major purpose of the reform is to offer a more comprehensive education responding to a growing diversity of needs and a growing demand for quality.

Proposed measures include:

- . extension of free compulsory education up to age 16;
- . reinforcement of guidance services;
- . programmes for educational research and teacher training;
- . coverage of new fields that are too scarcely covered at present.

Another relevant decision is the agreement by the Minister of Education and Science and the Minister of Health and consumption to stimulate:

- . teacher training in health education issues;
- . development of first aid courses at school;
- . cooperation between schools and primary health care centres.

It should also be mentioned that:

- . by Law No9 of 5 May, the Carlos III University was opened in Madrid;
- . by Royal Decree, a new organization of the Technical Department of education inspectors and a new system of appointment to that function came into force;
- . ten new vocational modules were created which combine training at Vocational Training Institutes with practical work in workshops.

France

Law 89-486 passed on 10 July responds to the priority granted by the Government to national education. It defines the major orientations of the French educational policy over the next decade. It aims at providing all young people with a recognized level of knowledge and it affects all levels of education.

A new concept of schooling should improve student follow-up by teachers.

- . Schooling is reorganized into six grades lasting two or three years, from the pre-school cycle (nursery school) to the determination cycle (up to "Baccalauréat").
- . Orientation should result from a continuous dialogue between youth, parents and teachers (participation of all is increased).
- . School year is divided evenly into work and rest periods.
- . Content of teaching programmes will be adapted to the evolution of knowledge.

A second objective is to reduce inequalities.

- . The policy of priority areas of education will be strengthened.
- . Schooling will be generalized for children aged 2 to 3.
- . Books will increasingly be provided free of charge.

A third objective, and not the least, is to improve teacher training and recruitment.

First measures were already implemented in September:

- . Introduction to a foreign language was started in some later primary school courses;
- . a large-scale assessment of reading, writing and arithmetic was undertaken in the 6th grade;
- . contractual relations have been established between higher education institutions and the Ministry;
- . a completely new wage and mobility policy was designed to reevaluate the teacher's financial and social position.

Ireland

A new three-year Junior Certificate Programme replaces the Intermediate and Group Certificate Examinations. All pupils starting their secondary education in 1989 entered that programme and special in-service courses began for teachers involved in it. A first evaluation will take place in 1992.

A new two-year Leaving Certificate Vocational Programme was also introduced in September for those who have just completed their junior cycle. Courses include at least five subjects from an approved list of which Irish, a modern continental language, (French, German, Italian or Spanish) and two courses related to construction studies are compulsory. A work experience of at least four weeks duration per annum is also a requisite. New technologies will be emphasized through project work to be undertaken in the technical subjects chosen and European awareness is to be developed through language, technology and work experience.

Various other developments include:

- . the decision to confer independent university status to the National Institute for Higher Education of Dublin and Limerick which became, on 22 June, the Dublin City University and the University of Limerick respectively;
- . joint launching of PETRA by the Minister for Education and the Minister for Labour;

- . creation of open university courses as from 1990, thus expanding access to distance higher education solely run so far by the Distance Education Centre of the Dublin City University.

Italy

In accordance with a recent labour agreement and like other administrative personnel, teachers can now transfer to other sectors of public employment. They can also apply for new positions within schools (technical manager, psycho-pedagogic advisor, library services coordinator or counselling and guidance coordinator) and they can choose to work part-time. These measures are primarily meant to cut public expenses but they also improve flexibility on the job market.

While debate continued in Parliament on the basic reforms put forward in previous years (extension of compulsory schooling to age 16, restructuring of primary education, greater autonomy of schools), some more steps were taken towards further reforms: no decision was reached yet concerning nursery and upper secondary education, but Law No 168 of 9 May defines the range of financial, administrative and didactic autonomy to be given to universities. In addition, some innovations were introduced on an experimental scale at various levels of schooling.

Other noteworthy measures are:

- . Decree Law No 249 of 10 July modifying recruitment procedures for school staff;
- . the three-year project "Giovanni 1992" for upper secondary school students focusing attention on the problems of youngsters and involving their families, their social environment and the local institutions;
- . the creation of a permanent "observatory" of school failures intended to collect and analyse data on truancy, drop-out, under-achievement and school-year repetition.

Luxembourg

The most important event is the adoption, on 22 June, of an Act reforming the upper stage of traditional secondary education. It will not be applied before the year 1990-1991 and its main features are:

- . the definition of a specialized course (classes 2 and 1) divided into seven sections after a general course (classes 4 and 3) where pupils choose between a literary and a scientific orientation and within each branch, make a further choice of pre-specialization options;

- . the possible combination of some options: for example, those pupils taking classics and wishing to take up a fourth language may opt for a short Latin course;
- . provision made for the appointment of educators and librarians/documentalists;
- . the creation of regional educational conferences whose functions still have to be defined.

A new curriculum for the primary education replaced that of 1964. It takes greater account of socio-economic developments in Luxembourg with one optional class open to current events; it introduces lessons designed to awaken pupils' interest in science and provides an introduction to the new information technologies; it devotes more time to physical education; it also makes it possible to include two language and culture of origin classes in the weekly timetable for the numerous migrant pupils. This new study plan was started in the two first years only and it will be extended gradually.

Also worth mentioning are:

- . the Grand-Ducal Regulation of 3 May which redefined pre-school and primary school teachers' duties and reduced their work load to 25 and 23 lessons a week respectively;
- . the gradual implementation of introductory courses to new information technologies in the upper level of secondary education and in the vocational training classes wherever such learning is thought necessary;
- . the dissolution by a Grand-Ducal Decree of 31 August of the European Institute for Information Management;
- . cooperation and mutual recognition agreements between the "Centre Universitaire de Luxembourg" and various foreign universities in order to facilitate further the completion of studies by Luxembourg graduates.

The Netherlands

Major policy efforts focused on raising standards for basic knowledge. At the primary education level, collective awareness of broad ultimate objectives is privileged over individual achievement: guidelines were thus defined to help schools to adapt the contents and the form of their teaching.

More attention is given to pupils with special teaching needs with a view to ensure that they leave school with at least a minimal professional qualification.

Regarding higher education, the new policy is also to put less emphasis on formal regulations on the organization of courses or the scope of examinations and to monitor more closely the results obtained.

Another draft reform was discussed in Parliament on 18 December. It lays down a legal framework for vocational education for adults. More generally, it must be noted that a political and social consensus exists on a policy for further education.

Portugal

A major curricular reform is being brought forward along the lines foreseen in the Basic Law on the Education System. First pilot experiments were started in some primary schools last September.

As part of this reform, it was decided to establish alternative secondary vocational schools designed to improve the transition from school to work and to respond to local and regional development needs. They are sponsored by various organisations and they work on the basis of a programme-contract with the State. They are mainly open to those students completing their third cycle of basic education (9th year) or a period of vocational initiation.

Another important policy intends to give more autonomy to local institutions at all levels of education: schools should be given the capacity to prepare and carry out an educational project for the benefit of the pupils and with the participation of everyone involved in the educational process. This policy is still at an experimental stage but the number of schools participating was increased and, as a counterpart to their new responsibilities, a support team was set up which reports directly to the regional education directors and represents all cultural, pedagogic and administrative aspects of education.

Some other minor changes were decided.

- . A new stage of the Programme for the Development of the Portuguese Education System (PRODEP) was launched for the period 1989-1993. This programme receives substantial assistance from the Community's structural Funds.
- . The MINERVA project - a part of PRODEP - is intended to improve the access to the new technologies in education. It was given a national coordinating committee within the Department of Studies and Planning of the Ministry of Education and this committee will ensure the transition from the experimental stage to a routine operation of the education management and planning.

- . A new Council for Cooperation between Higher Education and Industry replaces the former Council for Cooperation between Universities and Industry. It has a larger scope and will also act as the COMETT Information centre.
- . New objectives and evaluation methods were published for the first cycle of adult basic education.
- . As an alternative to personal and social development courses, it was decided to open optional religion classes covering the major faiths present in Portugal.
- . Decree Law No 344/89 of 11 October defined professional profiles for educators and teachers regarding their necessary scientific, pedagogic and didactic competences. It also stressed the importance of on-the-job training and innovation and research in the field of education.

United Kingdom

Much of the education agenda was set by last year's large-scale Education Reform Act as it began to come on stream in England and Wales. A similar reform is being brought forward in Northern Ireland, slightly modified to take account of local arrangements regarding curriculum, financing and administration.

Implementation of the National Curriculum began in the autumn and its initial phase consisted mainly of attainment targets and new programmes in core subjects for pupils aged five and eleven. The examination and assessment system will have to be adapted and the Secondary Examinations and Assessment Council delivered advice on this key issue.

New measures to improve the supply of teachers were announced:

- . a "licensed teacher scheme" simplifies the route to qualified teacher status for mature entrants;
- . an "articled teacher scheme" offers new graduates a more classroom-based practical training;
- . teachers trained in other EC States are now allowed to apply for qualified teacher status. This implements an EC Directive.

In addition:

- . 18 grant-maintained schools appeared in September according to a provision of the Education Reform Act. They are funded directly from the Exchequer and run by their own governing bodies.
- . Two new City Technology Colleges opened in September, one in Nottingham and one in Teeside.

- . The Government announced plans for the collection of ethnically-based data on teachers, students and school-pupils, after a recommendation by a committee of enquiry into the education of children from ethnic minority groups.
- . Two new bodies were set up in Scotland and in the Highlands and Islands to facilitate a dialogue between school and enterprise and to define coherent strategies for employment creation and training.
- . The Scottish Committee of the Universities Funding Council was established. It will consider all matters affecting Scottish higher education and give advice to the Secretary of State for Scotland on the grant-aided and local authority colleges.

2.3 Additional information

EURYDICE - Information

This twice-yearly publication deals with the education of young persons and with Task Force policies in this field. The readership comprises the EURYDICE network, policy-makers, the press, the media, information disseminators, persons responsible for the Task Force programme mmes at national level, and the general public.

EURYDICE - Communiqué

This publication, which appears at irregular intervals, presents news of the Task Force's policies on education and young persons. It is aimed at the EURYDICE network, policy-makers, the press, the media, persons responsible for the Task Force programmes at national level, and the general public.

Eurydice, 17 Rue Archimède (Bte 17), B-1040 Brussels

EURYCLEE - Information

This brochure deals with new technologies in the school education system. Published four times per year, it is intended for students, parents, teachers and policy-makers in this field.

National Council for Educational Technology,
3 Devonshire Street, GB - London W1N2BA

ERASMUS - Newsletter

This newsletter, published three times per year and covering higher education, student mobility and cooperation between universities, is intended for participants in the ERASMUS programme mme, universities, policy-makers, the press and the public.

Bureau ERASMUS, 15 Rue d'Arion, B-1040 Brussels

COMETT - Bulletin

Published three times per year, this bulletin deals with the COMETT programme, advanced technologies and cooperation between industry and the universities. It is intended for participants in the COMETT programme, COMETT information centres (distribution points), and policy-makers.

COMETT Technical Assistance Unit,
71 Avenue de Cortenberg, B-1040 Brussels

CHAPTER III:

VOCATIONAL TRAINING

3.1 Trends within the Community

The Community's efforts to harmonize national vocational training systems and strategies resulted in various Member States adopting rules and regulations designed to bring their systems into alignment.

Many Member States accord high priority to continuing vocational training. In this field, 1989 was marked by the launching of the Eurotecnet programme and the second phase of the COMETT programme.

Finally, the PHARE programme heralded an opening-up of the Community towards the countries of Eastern Europe, in particular in the fields of education and training.

3.2 The situation in the Member States

Belgium

The multisectoral agreement of November 1988, implemented by the Programme Law of 30 December 1988, provided for 0.18% of the total wage bill to be allocated to actions to promote the employment and training of risk-groups (the long-term unemployed, plus poorly-qualified workers and job-seekers).

Nearly 100 sectoral agreements of this kind have since been concluded (covering the great majority of firms), and various sectoral training centres are now financed by this employers' contribution.

In addition, the Law of 19 July 1983, amended by the Law of 24 July 1987, organizing industrial apprenticeships, and the linked-work-and-training agreement for young persons between 18 and 25, governed by Royal Decree No 495 of 31 December 1986, continue to be applied for the recruitment and vocational training of less-advantaged categories of workers.

Denmark

An important reform was introduced with the adoption of two laws on 5 April, due to come into force on 1 January 1991. One concerns vocational training, the other vocational schools.

- . The first element of the reform aims to make training more flexible: It combines three formerly separate training courses (basic vocational training, apprentices' training and technicians' training) into a single stream, with access either from work or from school.
- . The second element gives greater autonomy and wider powers to vocational schools, allowing them to adjust the content of their courses; authorizations will no longer be needed except for the creation of new training programmes.

The Law of 24 May on adult education and training also comes into force on 1 January 1991. This Law offers adults more in the way of part-time practical vocational training courses and single-subject courses.

Finally, a Decree of 16 June combines within a common framework the various applied arts (goldsmithing, interior design, etc.).

With the restructuring of the Ministry of Labour, two of its main functions (employment agency and vocational training) have been merged within a single department responsible for the labour market. As a result, future training initiatives should be better matched to the needs of the labour market. Additionally, most of the non-strategic tasks, which are at present handled centrally, will be farmed out, in particular to vocational training schools.

Federal Republic of Germany

Demographic trends and the tensions now appearing on the labour market make effective vocational training vital. The challenges which will have to be faced in the coming years will include the need to:

- . develop specific apprenticeships for occupations of a primarily practical nature, so as to exploit the potential of that part of the population which cannot hope to meet the growing theoretical requirements;
- . make "dual" training and linked work and training schemes more attractive by upgrading further qualifications for holders of a school-leaving certificate;
- . develop the content of continuing vocational training and open it up to innovations, while maintaining the minimum requirements applicable to all enterprises.

Measures have already been introduced to improve the content and organization of courses for unqualified or poorly qualified adults so as to combat long-term unemployment and boost the qualified workforce.

Plans have also been made for a Foundation for the vocational advancement of highly gifted individuals, the aim being to guide young persons from the stage of upper secondary school.

Greece

Vocational training programmes are increasingly carried out by firms and other private organizations. Even small and medium-sized enterprises initiate such programs.

This evolution is a response to the perceived inefficiency of secondary vocational schools and of other technological educational institutions, including universities. It appears that in many cases they provide low-level knowledge and qualifications, probably needed in the past, but largely inadequate in view of contemporary changes and international competition.

High level executives in public and private sectors started to realize the need for more flexible training mechanisms in order to face the technological challenge of the future, but so far the Greek society has not developed the necessary positive attitudes.

Although this negative statement must be made, it must also be noted that:

- . plans to improve the efficiency of the school system and its adequation to market demands are being gradually implemented;
- . a National Council for Employment and Vocational Training was created under Law 1836/89⁽¹⁾.

Spain

Various legal instruments concerning vocational training were published in the course of the year, mostly relating to the levels of grants and subsidies available. Two in particular were:

- . The Law of 4 April amending the Laws of 22 January and 23 March 1988, laying down the conditions for the awarding of grants. This Law raises the age limit for participation in the youth training support programme and provides for the payment of accommodation costs if the course is held far from the applicant's home. It also extends training opportunities for persons in detention and immigrant workers.

(1) cf chapter 1, p. 5

- . The Law of 23 June, laying down the conditions of an experimental training programme for single women bringing up families. The courses will be given in two forms: either in cooperation with firms and in response to their needs, or in special training centres, but for occupations in which women are at present poorly represented.

France

Vocational training policy has been geared towards realizing the potential of the individual, modernizing the economy and improving the quality of training.

- . The first of these objectives was addressed with the setting-up of an individualized system of post-school training. This second chance to acquire an education is aimed primarily at young job-seekers who, having left their initial training more than one year previously, have not acquired a minimum vocational qualification (European level II). The programme has a budget in excess of FF 4.5 thousand million (685 million ECU) and served 100 000 young persons in 1989.

This programme was supplemented by a qualifications-oriented training programme (European level III) for some 10 000 young persons. Another stage will be added later, for employees without qualifications.

- . Priority was also given to company training, with various measures being introduced in this field. Employers are now exempted from payment of social security contributions in respect of training programmes. Additional resources have been allocated to training programmes developed under branch or company agreements. And finally, at least 40 000 companies have benefited from tax credits offsetting expenditure on training.
- . A wide range of accompanying measures was introduced to help ensure the success of the above programmes. The quality of the assessment and guidance services was improved and the role of the committee for the approval of technical-education diplomas and other evidence of formal qualifications was upgraded. More emphasis was placed on the new technologies in continuing vocational training.

Other important issues were also tackled, including in particular the combating of illiteracy and the training of specialists in this field.

Ireland

An important development in the area of vocational training was the "Youthreach Programme". This scheme was established in January as a joint initiative by the Departments of Labour and Education. It is aimed at early school leavers and it offers them up to two years of integrated training, work experience and temporary employment opportunities. The Authority for Training and Employment (FAS) plays a leading role in processing school returns and referring young people to particular programmes.

To facilitate the necessary changes in view of 1992, FAS has developed an action programme.

- . Through its Industrial Restructuring Programme, FAS is planning to directly assist industry to adjust to the manpower and skill changes necessary to meet the new competitive position of 1992 and beyond.
- . FAS produced a training module, including a video on 1992 for use on its training courses.
- . Language training components were introduced into a range of FAS programmes, while a number of EC youth exchange programmes were launched to increase knowledge of each other countries and gain work experience abroad.
- . A range of measures to improve job creation and further assistance for disadvantaged job seekers include, among other things, an increased allowance for trainees with dependants and the Job Training Scheme in cooperation with the Confederation of Irish Industry.

The continued development and implementation of a standard-based certification system is also a key priority for FAS. At the end of 1989, certification was available for all mainline programmes. Some refinements will be brought to confer more prestige to FAS certificates.

Italy

Law No 492 of 12 November 1988 provided for the financing of innovations in regional training systems. The Ministerial Decree of 9 May 1989 sets out the main objectives of the regional training structures as follows:

- . promoting contacts with schools;
- . improving collaboration with industry, in particular through the development of linked work and training contracts;
- . enhancing the role of vocational training in the spread of new technologies.

The agreement concluded on 13 September between Confindustria, the CGIL/CISL and the UIL provides for the establishment of bipartite regional bodies with the following functions:

- . drawing up proposed basic training models for companies;
- . monitoring the effectiveness of existing training centres;
- . organizing participation in courses given by these centres;
- . promoting equal opportunities;
- . promoting vocational guidance.

The unions and employers will finance these activities for two years, after which they must become self-financing.

Finally, the Ministry of Labour proposed awarding grants to unemployed young persons who elect to follow a vocational training course⁽²⁾.

Luxembourg

The new Government registered its determination to present a draft framework law reforming technical education and training, from the point of view of course contents, teaching methods and objectives. An initial reform proposal was submitted in spring but has not yet been voted on. Its main concerns are with:

- . ensuring that as many young persons as possible obtain proper job qualifications;
- . providing better vocational guidance;
- . upgrading vocational training;
- . preparing for 1992.

Two Grand-Ducal Regulations concerning the completion of technical secondary studies were revised to bring the rules into line with those of other Member States.

Finally, various apprenticeship campaigns were organized, including an "industry week" in certain high schools, aimed at informing young persons about working conditions in various apprenticeship trades in industry.

(2) cf Chapter 1, p. 8

Netherlands

The upper age limit for participants in the subsidized apprenticeship training programme for young persons was increased from 25 to 27.

The Ministry of Social Affairs and Employment, in collaboration with the employers and unions, drew up a new sectoral training programme (the BBS), under which subsidies will be granted for joint union/employer initiatives. This programme will provide training opportunities for 2 500 unemployed persons. It supplements other programmes designed for individual firms.

1989 also saw the introduction of a draft law to extend the Law establishing the temporary programme on minimum wages and broaden its scope to include persons participating in training and job-experience programmes designed for the long-term unemployed, women and ethnic minorities. In these cases, the employer will be able to pay a wage at least equivalent to the minimum wage, but on a pro-rata basis according to the number of productive hours worked. This rule applies to cases where the wage and the training have been established by collective agreements.

Finally, vocational training centres for adults (CVV) will in future have increased opportunities for training more women for technical careers. Subsidies have been set aside for this purpose, and crèche facilities have been improved.

Portugal

A meeting on the training of instructors was held in Lisbon at the beginning of the year, attended by more than 700 persons from all areas of the country and from a wide range of industrial sectors.

According to the newly adopted government strategy for the medium term (1990-1993) in the fields of employment and training, the Regional Development Plan includes various operational training programmes, and another set of programmes was established within the framework of Objectives 3 and 4 of Council Regulation 2052/88/EEC.

Legislative instruments include Law 26/89 of 21 January establishing vocational schools, and various Decrees laying down levels of aid, conditions governing the award of aid, and project evaluation criteria, particularly in the context of the European Social Fund.

United Kingdom

In December 1988, the Government announced a new framework for training, operating at three different levels. The Training Agency, executive arm of the Employment Department, operates at the national level, as does the National Training Task Force made up of 15 members mainly from the business world.

Training and Enterprise Councils will act at regional level, under the coordination of the Task Force. Their role is to promote local initiatives in the training area and to help to direct private investment towards them.

A third body - the National Council of Industry Training Organizations - has been established to coordinate and improve the activities of Training Boards at industry level.

The Training Agency's programme for 1989 was as follows:

- . to provide high quality training for longer-term unemployed people through the Employment Training (ET) programme. About 250 000 training places were available in 1989;
- . to ensure through Technical and Vocational Initiatives (TVEI) that young people between 14 and 18 receive an education related to the working world. Over half a million students presently benefit from TVEI;
- . to improve the cost effectiveness of the public sector and its responsiveness to employment needs through Work-Related Further Education arrangements (WRFE): grants are now given to local education authorities on the basis of a detailed planning agreement;
- . to prepare young people for working life through the Youth Training Scheme (YTS). Nearly 400 000 students were in training at the end of June. A series of projects were launched to improve the linkage between the various types of education and vocational training for young people aged 16 to 19;
- . to improve the training performance of business through a Business Growth Training Program (BGT) launched in April. It helps about 100 000 firms, linking training to their strategies and outcomes.

Other programmes launched in 1988 or before help more than 200 000 students and trainees.

3.3 Additional Information

CEDEFOP-Flash

This publication, which appears approximately ten times per year, covers the activities of the CEDEFOP (European Centre for the Development of Vocational Training). It is intended for vocational training institutes, policy-makers, the social partners and all those engaged in the dissemination of information.

CEDEFOP-News

Brief reports on national, Community and international activities in the field of vocational training are published five times per year in CEDEFOP-News, which is intended for the same readership as CEDEFOP-Flash.

VOCATIONAL TRAINING

"Vocational Training" publishes more detailed studies in the field of vocational training twice a year, again for the same readership.

CEDEFOP, Bundesallee 22, D-1000 Berlin 15

EUROTECNET-News

Participants in the EUROTECNET programme, industries and small and medium-sized enterprises receive three copies of EUROTECNET-News per year, containing information on the EUROTECNET programme and on European activities in the field of new technologies and vocational training.

EUROTECNET Technical Assistance Unit,
66 Avenue de Cortenberg (Bte 13), B-1040 Brussels

CHAPTER IV:

SOCIAL DIALOGUE AND INDUSTRIAL RELATIONS

4.1 Trends within the Community

The multisectoral dialogue between European workers' and employers' organizations is being actively pursued under the guidance of the Commission.

The meeting on 12 January 1989 between the Commission and representatives of the various national organizations provided an opportunity for taking stock of the European social dialogue, discussing what new forms it should take, and for gauging the desire on the part of the social partners to continue and intensify the dialogue at Community level.

The outcome of this meeting was a text covering the following points:

- A steering group was set up, comprising representatives from UNICE, CEEP, the ETUC and the Commission, the aim being to:
 - provide a continuing stimulus for the social dialogue;
 - promote and plan the work to be done on the different themes selected;
 - evaluate the joint opinions adopted in the context of the social dialogue and assess their possible follow-up.

It can also ask the Commission to consult the two sides of industry on any project or proposal for a decision during its preparatory phase.

- In addition to the consultation required as part of the Commission's normal business, it was agreed that the steering group would turn its attention first to:
 - education and training: experience to date, lessons to be learned, guidelines for future reference, the Commission's role and work at Community level;

- prospects for a European labour market as the aims of the Single Act are progressively achieved.
- The Commission will draw up a detailed annual report on the current situation and the employment outlook in the Community, to be discussed in the first instance within the framework of the social dialogue and subsequently submitted to the Standing Committee on Employment. The conclusions will then be submitted to the Council.
- As regards consultation of the two sides of industry on projects in preparation, the Commission is prepared:
 - to consult the two sides of industry at regional level on development programmes under structural policy Objectives 1 (development of backward regions), 2 (restructuring of declining regions) and 5b (rural development);
 - to seek the opinion of the organizations represented at Community level on the content of a Social Charter once the Economic and Social Committee has given its opinion;
 - to consult these organizations on the proposed European company and on the solutions envisaged for the role of wage and salary earners in any such company;
 - as regards the impact of implementation of the Single Act, to discuss the conclusions from the sectoral studies at the appropriate time;
 - to study the public authorities' contribution to the competitiveness and performance of firms.

The steering group met on 27 March and 4 October 1989.

- At its first meeting, it initiated work on education and training and on prospects for a European labour market, setting up two working parties and laying down their terms of reference, composition and frequency of meetings.
- At the second meeting, the steering group examined - but did not reach agreement on - the contentious items in the draft joint opinion⁽¹⁾ on the organization of work, adaptability of the labour market and the new technologies, and took note of progress made on the work of the above two working parties and of the Commission projects mentioned in the conclusions of the 12 January meeting.

(1) cf. Social Report 1988, Chapter 4, p.2.

The Working Party on the "Prospects for a European Labour Market" concentrated on the various aspects of mobility in the context of the Single Market and on the forward employment management policy at various levels with a view to the adoption of two joint opinions:

- one on the creation and organization of a European geographical and occupational mobility area;
- the other on improving the operation of the labour market in Europe.

The Working Party on "Education and Training" finalized (in October) and adopted (in December) a joint opinion on basic education, vocational training and adult training. This opinion expands on the joint opinion adopted on 6 March 1987 and is based on the following five general principles⁽²⁾:

- The future of the Community rests on the level of qualification and performance of its labour force. High-quality basic education and vocational training constitute a genuine investment.
- This investment contributes to:
 - economic efficiency by making European firms more competitive;
 - the development of new technologies and expertise in using them.
- The development and adoption of new technologies are important in terms of economic progress and the well-being of all Community citizens, but economic viability and social acceptability depend on effective training.
- Structural adjustment to the completion of the Single Market will present a major challenge in terms of qualifications.
- Doing more in the field of education and vocational training will require a sense of commitment from all concerned.

(2) The full text of this joint opinion is reproduced in the annex.

4.2 The situation in the Member States

Belgium

Implementation of the Law of 8 August 1988 brought about fundamental structural changes in Belgium. While labour law and social security remain national concerns, certain powers with an indirect effect on labour law have been transferred to the regions. As a result, the three regional economic and social councils have extended their sphere of competence for expressing opinions, particularly as regards the labour market and vocational training policy.

Collective bargaining centred mainly on implementation of the multisector agreement of 18 November 1988.

- The sectoral negotiations on wages and working conditions proceeded on the whole without any major problems.
- The multisector bargaining, on the other hand, under the aegis of the National Labour Council, was less successful. Agreements were reached on the minimum wage and on lowering the age for early retirement, but other important issues relating to the "quality of work" remained unresolved.

Social developments in 1989 took place against a backdrop of a buoyant economy, which meant that the Government was able to respect the autonomy of the two sides of industry after a five-year period (1981 to 1986) in which it intervened on a substantial scale on wages and working conditions. However, under the Law of 6 January 1989, the government is once again authorized to intervene in wage negotiations if the competitive situation of firms is in jeopardy⁽³⁾.

In 1989 there were more industrial disputes than in previous years, centred largely on the subsidized social sector, public transport and companies undergoing restructuring. A general dispute in the public services in the wake of negotiations on a collective agreement for 1990 was just avoided.

Tripartite consultation was conducted mainly under the aegis of the joint consultation bodies, first and foremost the National Labour Council and the Central Economic Council.

- In particular, there were regular consultations between the Government and the two sides of industry within the "Europe 1992" committee, which reports to the Central Economic Council. The "Europe 1992" committee's main concern was the repercussions of completion of the Single Market on Belgian companies and on the national budget.

(3) cf. Chapter 1, p. 3

- . The National Labour Council also issued two opinions on the European social dimension: one on the free movement of workers within the Community, the other on fundamental social rights.

There were also discussions on specific points:

- . The "Round table on sickness insurance" met from November 1988 to February 1989 with a view to putting forward proposals for restoring financial equilibrium.
- . There was a tripartite meeting on 11 December on the connections between unemployment and training.

Denmark

The collective bargaining of spring 1987 had produced agreements covering a four-year period, but with facilities for renegotiating pay after two years. This renegotiating procedure took place in spring 1989.

Federal Republic of Germany

Industrial relations are characterized by a stable consensus. As in previous years, there were no conflicts or significant tension between the two sides of industry, and the number and scale of collective agreements continued to increase, now covering the working conditions of some 90% of all workers.

Agreements were mainly on reduced working time, generally combined with a moderate increase in pay. Subjects with only poor coverage hitherto were given detailed norms: part-time working, Saturday working, the integration of problem categories of young people into the labour market, encouraging work among women, parental leave.

On the strike front, there were essentially only two sectoral disputes (in the printing and retail trade sectors). It became apparent here that trade union tactics were changing, with major strikes affecting an entire region giving way to more flexible methods, such as strikes targeted at a single firm for a short period, with work resuming after an interruption. These methods have proved to be effective.

As regards tripartite consultations, the three sides have kept in touch with a view to working out a joint policy on overcoming unemployment and preparing for the Single European Market. These contacts were intensified over the year.

- . In June the employers' and workers' organizations (the BDA and the DGB) presented a "joint declaration on the social dimension of the Single European Market".
- . At the invitation of the Federal Chancellor, the second "National conference on Europe" took place in August.

- . The Charter of workers' fundamental social rights in the Community, adopted in Strasbourg, has been approved by the two sides of industry.

Although adopting a joint stance on all the essential questions affecting European social policy, the two sides do differ somewhat on the ways and means (differing degrees of flexibility) of laying down fundamental rights in the Community and on the question of worker participation in company management structures.

Greece

The general collective agreement for 1989 was signed on 8 March and applied retroactively to 1 January. During the ratification procedure, the Government unexpectedly amended a number of paragraphs, eliciting a sharp response from the social partners, who denounced such methods as a violation of the Greek constitution.

A large number of agreements were concluded at branch and trade level, this being the normal level for such agreements⁽⁴⁾. The way the concept of free bargaining is developing is evident in the total number of collective agreements, which is now four times greater than the number of arbitrary awards.

The main results of collective bargaining in Greece relate to pay, and the multisector agreement centred on improving basic pay rates. The content of negotiations is traditionally very meagre, but the branch-level negotiations featured clauses on working time (alignment on the 40-hour and 5-day week) and on time off for family reasons.

A new trend is the right to 10% family allowances, which is now granted regardless of sex (in the private sector), and the widening range of benefits granted by the employer.

Following its 25th conference, the GSEE now represents all trade union movements in the country - a major development in Greek politics. With two successive elections failing to produce a majority and the formation of an "ecumenical" government, the unions are tending to steer clear of the parties.

Although the conditions are still not right for tripartite discussions, relations between unions and employers have improved, as have relations between the two sides of industry and the authorities.

(4) At company level, collective bargaining still has no legal status.

Other salient facts:

- . On the question of worker participation, the works committees envisaged under the law of 1988 have not become as widespread as had been expected. The number of safety and health committees is also very limited.
- . The workers' and employers' organizations are very aware of the social dimension of the Community, and have all come out in favour of the Social Charter, although the employers have expressed certain reservations as to the scope of the Charter, which they feel should stay general.

Spain

Industrial relations remained strained throughout the year, both between the authorities and the unions and - to a lesser extent - between the unions and the employers. The government which emerged from the elections on 29 October restored the dialogue and consultations recommenced at the end of the year, with what outcome it is impossible to say.

The "priority trade union proposal", however, features a flexible bargaining strategy which does not make the substance of negotiations dependent on the achievement of an overall political agreement, and which makes it possible to achieve a partial consensus with different partners.

Collective bargaining is marked by unity of action on the part of the two majority unions, CCOO and UGT. Their joint platform comprises four main aspects:

- . improved volume and quality (and especially stability) of employment;
- . improved social protection and greater job security;
- . minimum guarantees on pay and income redistribution;
- . defence of co-determination and collective bargaining rights.

On this latter point, both employers and trade unions are agreed on the need for a more rational bargaining structure, fewer negotiating stages and better coordination.

As regards this new line, it is worth mentioning two agreements containing new ideas. The national building agreement is designed expressly to bring order into the negotiating structure. The "strategic viability plan" adopted at Construcciones Aeronauticas, meanwhile, covers such fields as subcontracting, the creation of auxiliary businesses, worker mobility and workers with multiple skills.

Other points to note:

- . The Spanish constitution guarantees free bargaining, but the State can intervene by a procedure known as the "peaceful solution of collective disputes" or by imposing a minimum level of services in the event of a strike in essential service industries. Frequent recourse is made to these procedures, which is in itself a source of conflict.
- . Bilateral negotiations are due to be held on the legislature's macroeconomic objectives.
- . The unions have placed great importance on the bilateral dimension of the internal market; with a view to increasing worker participation, they have taken an active interest in the draft European company statute.

France

At both national and multisector levels, the two sides of industry continued their ambitious negotiations on a guideline agreement, the first phase of which - covering technological changes - was adopted in September 1988.

- . Agreement was reached on the reorganization of working time on 21 March, with general provisions designed to lead to the resumption of negotiations at branch and company level, as well as specific provisions which are on the whole more restrictive than those of the Law of 19 June 1987.
- . On working conditions, an agreement was signed on 20 October containing framework provisions for industry-level bargaining, as well as more specific provisions.
- . Finally, a fourth element concerning equality at work for men and women was covered by an agreement signed on 23 November.

An agreement signed on 1 March consolidates the various texts on the occupational integration of young people which were the subject of joint agreements over recent years, and adding a number of new provisions. Finally, three agreements were signed on unemployment insurance and supplementary pensions.

At company level, there were two agreements on the employment of handicapped persons, at EDF-GDF and La Redoute. Generally speaking, things were very quiet in the private sector. The dispute at Peugeot, which was to do with how the financial sacrifices resulting from restructuring should be shared out, was resolved by a very moderate agreement.

The Minister for Employment presented new arrangements for the "negotiated modernization of companies". This instrument has already come into force, and essentially sets out to reorientate existing measures. The Minister intends that the plan should continue in 1990. Seven industries have already reached an agreement within this framework.

Modernization of the public sector is also giving rise to problems concerning staffing levels, pay and status.

Ireland

Collective bargaining continued to be governed by the terms of the 1987 Programme for National Recovery, and its associated pay agreements. While the agreements were drawn up at national level, implementation of their terms is a matter for negotiation at local level. In addition to negotiations on pay many local level agreements were concluded on issues such as productivity, flexibility and a one hour per week reduction in working time for those working 40 hours or more per week. The impetus for the one hour per week reduction was provided by a framework agreement concluded at national level under the Programme for National Recovery.

The Programme has led to an ongoing improvement in the industrial relations climate. The numbers of strikes and of days lost through industrial action have continued to decline, and are at their lowest levels for many years.

The Government has already indicated its wish to see a new programme negotiated to ensure that the progress made under the current arrangement is continued. While the unions and employers have not yet committed themselves to participating in any new agreement it is unlikely that negotiations on a possible programme will get underway before the end of 1990.

Italy

Collective bargaining continues to take place in the context of what is now a well established system.

At multisector level, the series of meetings instituted in 1988 continued, and focused on:

- . drawing up new rules governing industrial relations;
- . discussing the monitoring and regulating of contract dynamics;
- . achieving agreement on specific problems such as vocational training and the role of workers and management.

As regards the first point, there are the three agreements concluded with Confindustria for private-sector industrial firms (21 April), with ASAP for ENI-group State-participation firms (23 June) and with CISPEL for public services run by local authorities (end of July).

On the second point, with a view to modifying labour costs⁽⁵⁾, the two sides agreed to a partial and temporary accord on maintaining the current indexing system for 1990 (29 June). Because of the difficulties besetting relations between the two sides of industry, it was decided in December to defer negotiations to January 1990 and to ask the Government to look into the situation with each side separately.

On the third point, Confindustria and CGIL-CISL-UIL signed two specific agreements on vocational training (21 January and 13 September).

Bargaining at industry level led to a series of major collective agreements, e.g. with ENEL (the nationalized electricity production and distribution company), air transport staff and the metalworking and mechanical engineering craft trades.

In the public sector, agreements were signed for the non-profitmaking public services, the civil service and local authority employees.

Disputes did, however, come to a head at the end of the year in a number of service sectors (e.g. banks) facing major structural changes affecting working conditions.

Bargaining at company level continued in 1989, covering many large and medium-sized businesses, particularly Fiat, but there was also a trend towards extending bargaining to small businesses.

Luxembourg

As regards collective bargaining, more than 40 agreements at company level were renewed in 1989, with wages and salaries up something like 3.75% in real terms over two years, and with a marked trend towards more paid holidays, additional days off and leave on personal grounds.

The conclusion of collective agreements for workers in the retail trade constitutes a new element on the Luxembourg collective bargaining scene.

(5) cf. Chapter 1, p. 8

At industry level, an agreement for bank workers was signed only after a dispute and highly charged negotiations.

With one sole exception, all industrial disputes were resolved by conciliation without recourse to strikes.

On the tripartite consultation front, the Economic and Social Council supplemented its opinion of November 1988 by looking into what changes would be needed to meet the challenge of the internal market. Again, on the basis of the Economic and Social Committee's first opinion, round table discussions were organized by the Government with a view to taking stock of Community measures and assessing their sectoral impact. The round table groups completed their work in May.

Netherlands

Negotiations in the private sector were uneventful, unlike the situation in the public sector, and particularly in the police and health services and care for the aged. Industrial action here was of a spontaneous nature and resulted in agreements on better working conditions.

The social pact signed in the 1980s had had highly positive effects. Following the resignation of the Christian-Liberal government, the 6 September elections and the formation of a Christian-Socialist Government on 27 November, a joint action framework between the Government and the Stichting van de Arbeid (Industrial Labour Council), effective from 1 December, was laid down for the years to come, the two signatories deeming that pay and income restraint are needed to ensure balanced and lasting growth, more jobs and lower unemployment.

The Government also informed the two sides of industry of its readiness to increase social benefits and to grant increases in the public and semi-public sectors similar to those negotiated in the private sector.

These aims will require efforts in a variety of other fields, such as the redistribution of work, education and training, the situation of women on the employment market, unemployment, competitiveness, company performance, good industrial relations and good working conditions, all of which form an integral part of this joint action framework linking government and the social partners.

Other points:

- . There was no major shift in relations between the trade unions and the employers' organizations. Generally speaking, the feeling is that the unions have strengthened their position somewhat by achieving a wider audience, although their 2% membership growth rate does not exceed the growth in the labour force and the rate of trade union membership is 25% at best.

Portugal

There was no major change in the level and scope of collective bargaining. However, the social consultation pact, which had acted as a framework for negotiations for the previous two years, was not renewed in 1989.

The two sides of industry continued to concentrate on the sectoral level, where agreements related mainly to the level of pay. In the private sector, account was taken of inflation forecasts, but in the public sector, the Government endeavoured to cut pay in real terms, provoking a number of strikes.

The total number of strikes increased in the first half of the year over the previous year, involving public-sector companies and a number of public services, including such normally unlikely categories of strikers as university professors and magistrates. Purchasing power losses were partly made up by the end of the year, which constitutes an initial acceptance by the Government of union grievances.

Working time was also discussed on a number of occasions - a novel and important departure, given that since 1974 conventional reductions in working time have required ministerial approval. The reduction of working time was the main claim made by the trades unions in their collective bargaining negotiations and reductions were actually achieved in textile and metal-working industries.

In terms of social consultations, relations between the Government and the unions were poor at the beginning of the year and got even worse as the year wore on - so much so that there were serious doubts as to whether the procedure which has been followed over the past three years had any future. However, after a period of virtual paralysis, dialogue recommenced within the Standing Council for the Social Dialogue (CPCS) and the future looked brighter by the end of 1989.

- . While the two main unions (CGTP-IN and UGT) are still at loggerheads on very basic issues, and although a unified strategy is still in the distant future, the two do at least agree to attend Standing Committee meetings and, for the first time, have issued a joint declaration - a genuinely "historic" event.
- . As regards the Community dimension, the CGTP-IN is much less critical of Portugal's membership of the European Community, although it too remains concerned at the negative consequences which might result for Portuguese workers. The UGT is in favour of Portuguese membership, but stresses the need for economic and social cohesion and for the Portuguese economy to be geared up to the challenge of the Single Market. The employers' organizations, on the other hand, feel that the Portuguese labour laws are currently more rigid and more protectionist than in the rest of the Community.
- . Another important point is that the constitutional reform has led to the creation of an Economic and Social Council, something which puts a question mark against the future of the CPCS. Both the unions and the employers' organizations feel, however, that the two organizations should exist side by side.
- . Decree-Law No 87/89 with provisions relating to legal aspects of collective agreements at the workplace was also passed.

United Kingdom

In the field of collective bargaining, the Government and the employers have continued to exert pressure towards decentralized and flexible pay bargaining. The same applies to companies affected by privatization policies (British Steel, British Rail and British Coal) and even to the public sector (local government, education and health services).

This is all part of a trend towards market and result-linked pay structures. The unions have endeavoured to maintain the trend in a parity negotiating and watchdog context, at the same time trying to keep the negotiating framework as broad as possible.

Although legal constraints are making it harder to trigger industrial action, the number of disputes actually increased in 1989, in part reflecting the higher level of economic activity and the resultant tensions on the labour market.

The main instrument of tripartite dialogue on economic matters remains the National Economic Development Council (NEDC). Two main points were addressed this year:

- . How to maintain growth and investment while containing inflation and keeping a watchful eye on the balance of trade.
- . The implications of the Single Market for the UK economy.

Discussions were also continued in the field of safety and health, and the conciliation service ACAS was very active during the summer in resolving a number of conflicts; the Government holds it in high esteem.

Other Important points:

- . At sectoral level, relations between the unions and the employers remained strained as a result of the employers' insistence on reducing wage costs and the unions' drive for the 35-hour week.
- . The unions are critical of the Commission which, they feel, is not sufficiently aware of the social problems engendered by the Single Market. But whereas the CBI remains opposed to any outside legal interference, the TUC goes along with the Economic and Social Committee in supporting the Commission's proposals on social policy aims.
- . As regards worker participation, both the Government and the CBI continue to oppose the Community's plans, rating voluntary arrangements including those for the financial participation of employees in the companies they work for over the need for a legal framework.

CHAPTER V:

WORKING CONDITIONS AND LABOUR LAW

5.1 Trends within the Community

Labour law is changing essentially in two directions. On the one hand, legislation on redundancy is undergoing revision in a number of countries to avoid abuses detrimental to workers.

This is mainly concerned with individual dismissals, where the rules are being tightened up to make it incumbent on the employer to prove that the motives for dismissal are watertight. In some cases, the possibility of redundancies for economic reasons is being eased, albeit subject to conditions resulting from collective bargaining. In both cases, special clauses are provided for for SMEs, including recourse to third parties where there is no internal representation within the firm.

On the other hand, the law on non-standard labour contracts (e.g. interim, home-working and part-time working) is making progress almost everywhere with a view to including as large a proportion as possible of workers concerned under the current legal and social protection umbrella.

These two trends are a reflection of the inherent riskiness of an increasing number of people's jobs, a problem which affects all Member States to differing degrees, but which is everywhere giving cause for concern.

On the working conditions front, there is also a tendency towards harmonizing the status of manual and non-manual workers, a trend which seems to be particularly well advanced in the United Kingdom and for which legislation is being passed in Luxembourg. Working time is continuing to decrease, albeit at a slower rate - and is tending to stabilize at around an average 38 hours per week, although the 35-hour mark has been reached in some sectors in the Federal Republic of Germany and the United Kingdom.

5.2 The situation in the Member States

Belgium

In the context of the multisector agreement of 1988, the two sides of industry failed to agree on revising the legal provisions on the protection of trade union representatives. On the "quality of work" front too, discussions continued throughout 1989, but without producing a consensus. As a result, and with the Government reluctant to take the initiative without proper consultation, labour law has made very little progress.

Those changes that have been made can be summed up as follows:

- . a new employers' levy (amounting to 0.18% of gross pay) introduced under the Programme Law of 30 December 1988 and designed to provide training and jobs for high-risk unemployed groups. Exemptions are granted for employers who are already applying equivalent measures under a collective agreement.
- . two laws introducing the "economic interest grouping" - one in purely national terms, the other in response to Regulation 2137/85/EEC.
- . new provisions applying to part-time working and the control thereof, forming part of the Programme Law of 22 December, but not coming into force until 1990.

As regards working conditions, collective agreement No 44 was concluded in the National Labour Council, bringing the minimum age for an early pension award down from 60 to 58 years, although without prejudice to sectoral agreements authorizing such awards at an earlier age. The National Labour Council also came out unanimously in favour of the working systems and combined training and work schemes set up under Royal Decree 495.

The sectoral collective agreements concluded this year covered a wide variety of subjects, although there were not many concerned with working time (the 38-hour week already being the norm in most companies). The main questions were:

- . union representation in small and medium-sized enterprises;
- . career breaks;
- . interim work, which is growing fast although it is still on a lower scale than in neighbouring countries.

Special leave for urgent reasons (e.g. illness of a family member, court appearance or severe material damage to workers' goods and property was introduced under collective agreement No 45.

Denmark

The continuing economic stagnation is having negative effects on working conditions, particularly as regards women, who have always been worse treated in any case. Nonetheless, women account for 46% of the Danish workforce and, between 1975 and 1985, the proportion of women in traditionally male occupations increased from less than a quarter to more than a third.

The equal status council, whose role has been widened by Parliament, has launched an information campaign on this subject, in addition to which two measures were adopted:

- . An amendment to the law on equality increases the amount of compensation due to a female worker dismissed as a result of asking for equal pay from 16 to 39 weeks pay.
- . In the event of a mother being dismissed after giving birth, a law which came into force on 1 May makes it incumbent on the employer to prove that the grounds for dismissal were other than the fact of birth.

A survey published in January shows less absenteeism among members of 24-hour shift teams, which is thought to show workers' and employers' common interest in a more flexible form of work organization, enabling workers to plan their time better and to use time worked at night to accumulate time off.

Under the collective agreements, the weekly working time has been cut from 39 to 38 hours.

Federal Republic of Germany

On the basis of collective agreements concluded in earlier years, working time was reduced for some 9.5 million workers. For the half of the workforce not yet working less than a 40-hour week, this barrier was broken in 1989. A third of the workforce now works 37 hours or less a week, with the average in 1989 at 38.4 hours.

Flexible working time is another central concern, with a large number of agreements on Saturday working and - for certain industries - agreements on working time geared to continuous production processes. The agreement reached in the printing industry in March constitutes an innovation from these two points of view in that it is the first accord on Saturday working and the first which takes account of the specific nature of the product.

A law passed in June and which came into force in October allows shops to open until 8.30 pm on Thursdays, although the maximum weekly opening time is restricted to 64.5 hours, which means that many shops have to make up for this one night's late opening. The unions have, however, sought to get round the late-opening innovation, and the agreement allows daily working time to be extended to 8.30 pm only if the competitive position of the shop is jeopardized by late opening on the part of competitors not subject to a collective agreement.

Part-time working is very much on the increase, the result being that a growing number of workers (2.3 million) are not covered by social security provisions. A number of agreements are now setting out to fix a minimum daily or weekly working time to ensure that such cover is available.

With effect from 1 July, an amendment to existing legislation has increased the maximum period of "parental child-rearing leave" subsequent to birth to 18 months. There are, however, a number of sectoral agreements - especially the 1989 agreement in the retail trade - extending this period to three years.

Other important points:

- . The 1985 law on promoting job opportunities was extended and will enable fixed-term employment contracts to be concluded up to 1995.
- . A draft federal law provides for notice to be given from the age of 25 years on for manual workers as well as for non-manual employees, thus putting an end to a form of unequal treatment which was held to be unconstitutional.
- . The Federal Labour Court held the exclusion of part-time workers from pension schemes to be illegal, arguing that there was evidence of indirect sexual discrimination.

Greece

The 40-hour working week is the norm, but the legal eight-hour day may be exceeded. In practice, there is a large measure of flexibility in working time and the average working week is still more than 40 hours.

The General National Agreement of 26.2.1975 introduced for the first time the principle of the five-day working week in Greece. By the terms of this agreement the implementation of the five-day week was optional and not compulsory for employers. The agreement was ratified by Law 133/1975.

Subsequently ruling 25/83 of the Athens Second-Instance Administrative Arbitration Tribunal made the five-day working week compulsory for industry and craft trades etc. under certain conditions.

The five-day working week was introduced for the public services and the local government sector by Law 1157/81.

The regulations governing the five-day working week allow for a working day of up to 9 hours.

Permanent and temporary personnel in the public services, the local government sector and public corporate bodies work 37½ hours a week (Laws 1157/81, 1483/84). There are also various sectoral Collective Agreements which stipulate (contractual) working weeks of 36, 38½ and 39 hours.

The rights of those employed part-time were safeguarded by Article 38 of Law 1892/90 which declares invalid the termination of a labour relationship on the grounds that an employee has refused to agree to a employer's request for part-time working. The same article also safeguards the rights of part-time employees both to a minimum level of remuneration and also generally to the protection of labour legislation. Article 39 of the same law makes the following provisions with regard to insurance protection for part-time employees:

- a) Every working day, whatever its length, counts as a day for the purpose of insurance and
- b) the lowest levels of social insurance cash benefit are proportionate to the remuneration of the employee. To simplify the application of the above principles, part-time employees are allocated to a special first insurance category and are insured for the imputed daily wage of that category, irrespective of the length of their period of employment or the number of hours they work per day, but without prejudice to the provisions applicable to full-time employment.

Nonetheless:

- . some 125 000 temporary workers in the public service risk losing their jobs under a 1987 law which places strict limitations on fixed-term contracts;
- . undeclared work on the part of immigrant workers from non-member countries is on the increase;
- . home working and custom work are both enjoying an unprecedented boom, but rarely give rise to formal contracts, the 150 000 (mainly female) workers affected being regarded as self-employed.

Generally speaking, the situation for women is becoming more and more difficult as they increasingly go out to work, the family structure is changing and the infrastructure is inadequate.

The Workers' Confederation has set up a secretariat for women which is currently drawing up a list of grievances and a programme of action.

On the legal front, mention can be made only of Law No 1837/89 on protection for minors⁽¹⁾.

(1) cf. Chapter 1, p. 5

Spain

In general, the reduction in working time provided for in the new collective agreements has been meagre, although there are an increasing number of agreements incorporating such provisions affecting more and more workers.

There is a very definite trend towards less job security, such "insecure" jobs now affecting 28% of all wage and salary-earners, especially women and young people between the ages of 16 and 24. The private sector is more affected than the public sector.

As regards legislation, it is worth mentioning:

- . the Framework Law of 12 April, reforming the jurisdiction and procedure for dealing with individual labour disputes;
- . the Royal Decree of 27 October on the protection of workers from risks resulting from exposure to noise⁽²⁾;
- . the Royal Decree of 3 November complying with Council Regulation 182/71 on the working day, special days and rest days.

France

Important items of legislation have been adopted, with special reference to the various forms of dismissal.

- . The Law of 2 August amends the scheme introduced under the law on redundancy of 30 December 1986. There is now a "prevention" element which provides for aid to encourage firms to provide facilities for retraining workers and for conducting economic audits in small and medium-sized firms.

There is also a "procedure" element providing for the works council to be kept informed and to be consulted. Finally, the obligation to implement redeployment and retraining agreements has been made generally applicable to all cases of redundancy for economic reasons.

- . As regards individual dismissals, the above law sets out to put an end to certain fraudulent practices detrimental to workers (e.g. reducing working time before dismissing a worker so as to circumvent the need to give notice). The law also sets out the methods of calculating the special award payable to workers who lose their jobs as a result of an accident or an occupational illness. Finally, there are facilities for assistance for workers called to an interview prior to dismissal⁽³⁾.

(2) cf. Chapter 9, p. 4

(3) A decree of 27 November authorizes assistance from a person from outside the firm in cases where there is no formal staff representation.

The law of 10 July on collective working relations:

- . provides for the extension to men of advantages reserved for women in certain collective agreements, this extension to be negotiated within a period of two years;
- . lays down the methods for informing the works committee about vocational training matters;
- . extends the category of staff representatives with a right to remuneration;
- . strengthens the sanctions applicable to the employment of illicit workers and to labour suppliers.

A Ministry of Labour report shows a substantial increase in temporary jobs, accounting for some 7% of all paid employment.

A draft law "to foster the stability of employment by modifying low job security contract schemes" adopted by the Council of Ministers on 6 December seeks to check the abuses described in the report. The text of the draft law will not be tabled until negotiation has taken place between the two sides of industry.

Ireland

No legislation has been passed on individual labour law. As regards collective bargaining, there is a bill which, while not seeking to restrict the right to strike, provides for certain procedures to be followed before a strike is called, as well as a secret ballot of the workers concerned. The bill also introduces a committee on labour relations whose job it would be to draw up a code of conduct and would offer its services as a conciliator.

As regards working conditions, normal working time was reduced by either an hour per week or six days per year as laid down in the Programme for National Recovery.

According to recent statistics, there are 26 300 people working less than 19 hours per week, thus debarring them from protection under a large number of legal provisions.

Italy

The following subjects were of particular importance:

- . new provisions on temporary layoffs, labour force mobility, unemployment benefits, collective redundancies and takeovers (applying Community directives);

- . dismissal procedures and guarantee for certain trade union rights in small businesses currently outside the scope of the dismissal norms and Law No 300/70 (workers' rights);
- . norms to improve the general effectiveness of contracts and union agreements, even for non-unionized workers;
- . introduction of criteria for defining and verifying the representativeness of trade union organizations;
- . rules and regulations governing the constitution and workings of works councils and committees.

The reduction in working time has so far been in two distinct - albeit converging - directions:

- . reduction in annual working time by national agreements at branch level covering such matters as rest periods;
- . other agreements providing for a reduction in the working day or week, albeit in combination with longer general working hours for operating plants.

Non-standard employment contracts are also on the increase, particularly as means for the re-employment of certain categories of unemployed persons. This is the case for part-time working, which is however slow to take hold. Apprenticeship contracts for small businesses and craft firms is the principal means for young people to find a job.

Luxembourg

The Law of 25 May has introduced an important reform of the law on dismissals and redundancies and places stricter limitations on the use of the fixed-term contract.

- . The law makes discussion prior to redundancy compulsory in firms with at least 15 paid workers.
- . It doubles the period of notice for manual workers, thus bringing the system into line for all categories of workers and employees.
- . It increases the period of notice to be given by manual workers.
- . It makes employers responsible for proving bona fide motives for dismissal.

- . It makes provision for compensation and interest for wrongful dismissal, but authorizes the labour law courts to recommend that the worker be taken back on where the court feels that a harmonious working relationship could be reestablished.
- . It extends the maximum period of probation to six months for the majority of workers.
- . Fixed-term contracts have to remain the exception and are subject to a number of restrictive conditions. They may be concluded only for precise tasks not of a lasting nature, may not be renewed more than twice and may not exceed 24 months in all.

A number of draft laws are currently under discussion, one concerning part-time voluntary work, another temporary work and temporary manpower contracts, a field which is not at present subject to specific regulation. The aim here is to limit the scope, impose sanctions on the wrongful use of such contracts and ensure that such workers receive the same pay as permanent staff(4).

Netherlands

The law on equal treatment of men and women entered into force in its revised form on 1 July. The law applies to virtually all fields connected with work.

Two other bills are under discussion, one on simplifying the procedure for dealing with disputes in the law on works councils, the other on trade union activities within companies.

(4) Cf also the Government proposal mentioned in Chapter 1 to institute consultations on the subject of working time.

As regards working conditions, it is worth noting the plan of action drawn up by the Government and the two sides of industry, as well as the efforts to improve working conditions and reduce the number of people affected by incapacity for work.

One striking trend in collective agreements is to include clauses on the new technologies, reflecting the consensus achieved by the unions and the employers on this subject. These agreements provide for information and consultation procedures and for agreements on the requisite training following technological change. In many cases, they are no more than statements of intent, but the recommendations issued by the Labour Foundation are acted upon, and an increasing number of agreements provide for finance for training programmes.

Portugal

The new law on dismissals and fixed-term working emerged on 27 February, accompanied by three more laws providing backup on dismissals, unemployment benefits and job creation.

The new law simplifies the formalities to be respected in justified dismissal procedures in small firms employing no more than 20.

It also empowers employers to dismiss workers' representatives, something which was previously the exclusive preserve of the courts. As regards collective redundancies, the essential point is that tribunals take over from the Ministry of Labour in deciding whether the reasons advanced by employers are justified. Finally, redundancy for economic reasons can now result from the loss of a single job.

Revision of the constitution has introduced the right for workers to be involved in the management of production units in the public sector.

Two other major problems:

- . The Government decided to reduce the maximum legal working week from 48 to 44 hours and has accordingly tabled a draft law. In collective agreements, the most usual working week is 45 hours for manual workers and 40 hours for non-manual workers.
- . The trade unions have denounced the illegal practice of employing minors of less than 14 years of age. The minimum legal age will be raised to 16 years in conjunction with the reform of compulsory schooling.

United Kingdom

A report was drawn up on the trend towards a single status for manual and non-manual workers, revealing that something like a half of all firms contacted had gone some way towards harmonizing the situation over the past five years, mainly as regards holidays, pensions and redundancy pay.

Part-time working in conjunction with job sharing is attracting more and more interest, mainly in connection with management jobs. The attitude of employers and of the unions is becoming more and more favourable.

The most recent official figures, dating from October, show that the average working week has remained practically unchanged. It is expected to be down quite drastically following the 1989 round of collective bargaining, where the unions have called for a 35-hour week in the engineering industry.

The Government has tabled an employment bill proposing to repeal the existing rules and regulations protecting women and children from night work and hazardous occupations. The right to paid time off for union duties was limited to the scope of the recognition agreement between the employer and the union.

Following legal challenges about the lawfulness of a union's call for industrial action by dockworkers arising from changes to arrangements in ports following the repeal of the statutory National Dock Labour Scheme, the House of Lords refused to grant port employers the injunction that they sought.

The House of Lords in the Litster judgement (March 1989), also ruled in the light of the Undertakings Transfers Directive, that if an employee was dismissed before the transfer and by reason of the transfer, and that dismissal was not for an economic, technical or organizational reason entailing changes in the workforce, then regardless of the timing of the dismissal the dismissal was unfair and the employee's rights were transferred to the new owner.

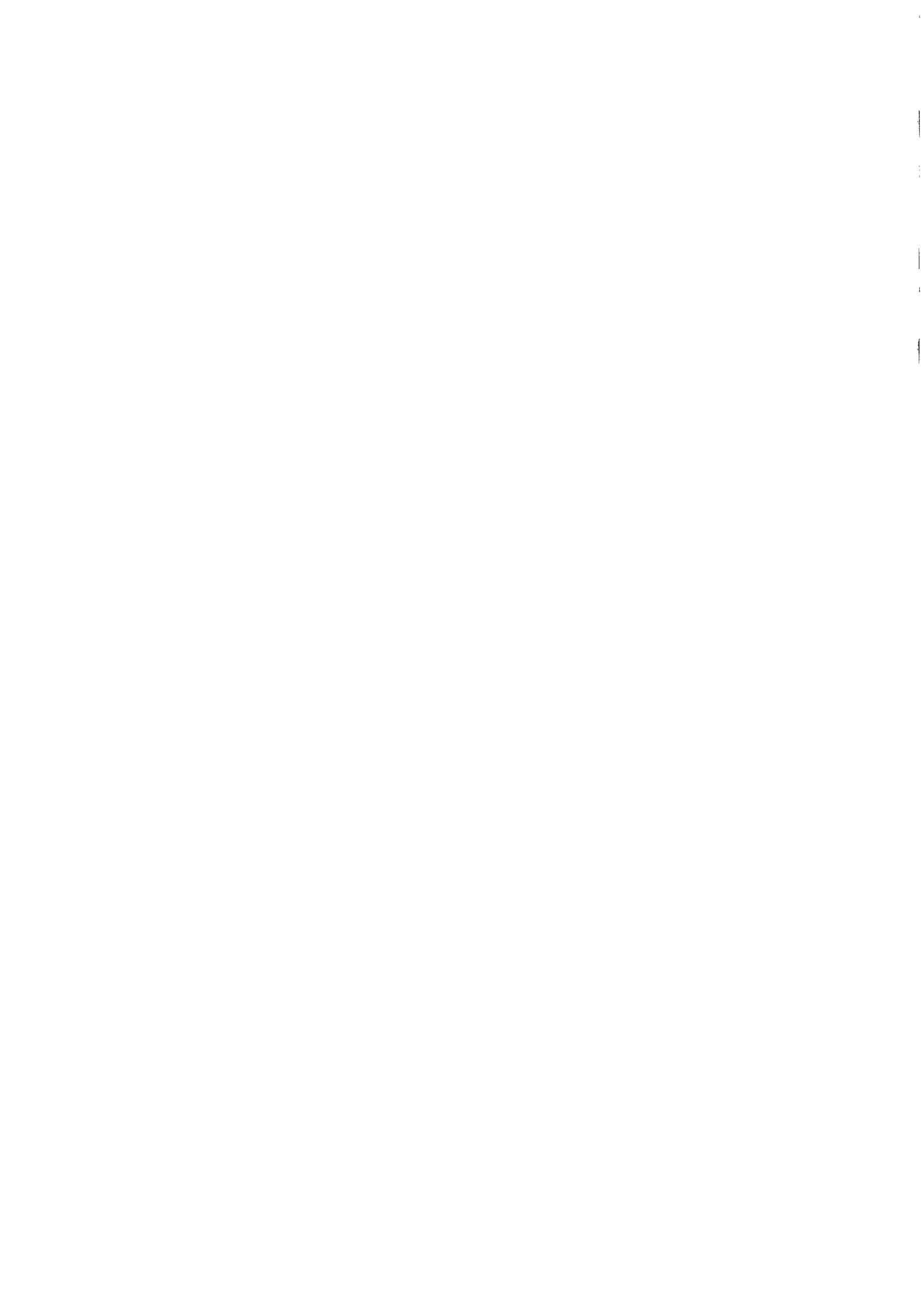
5.3 Additional information

Comparative study on working conditions

This hefty study has been condensed into a report of some 80 pages (SEC(89)1137). It covers the essential characteristics of individual and collective labour relations in the Community Member States, and will be updated regularly.

The report is laid out to facilitate comparison of conditions from country to country.

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CHAPTER VI :

WAGES AND INCOMES

6.1 Trends within the Community

In the course of the 1980s, adjustments to the wage-fixing mechanism and the resultant slowdown in both nominal and real wage increases helped most Member States to curb inflation and return to profitability.

However, significant differences continue to exist between countries, both as regards price and cost trends and as regards the adjustment of wages to productivity. The countries belonging to the EMS and observing narrow fluctuation margins have performed best, but inflationary pressures have begun to re-appear recently and pose a threat in these countries too.

The slowdown in per capita wage increases did not continue in 1989; in fact there was even a significant acceleration in Belgium and Ireland. The following factors were partly responsible for this change:

- . the fresh surge in inflation since 1988, even if this was partly due to exceptional factors such as increases in VAT rates or import prices;
- . the revival of growth and the creation of new jobs, which increased the pressures operating in certain segments of the labour market, despite the fact that unemployment remained generally high;
- . the special situation of Germany, where profit margins increased considerably thanks to the country's very strong competitive position.

Nominal and real wage trends

(annual variations)

	Nominal wages		Consumer prices		Real wages	
	1988	1989*	1988	1989*	1988	1989*
EEC	5.6	6.1	3.7	4.8	1.9	1.3
Belgium	2.4	5.4	1.2	3.3	1.2	2.1
Denmark	4.3	3.6	4.9	4.7	-0.6	-1.1
Germany	3.1	3.1	1.1	3.1	2.0	0.0
Greece	18.4	20.6	14.4	15.0	4.0	5.6
Spain	6.4	7.6	5.2	6.9	1.2	0.7
France	3.8	4.0	2.7	3.5	1.1	0.5
Ireland	2.3	4.8	2.5	4.2	-0.2	0.6
Italy	8.8	9.2	5.0	6.5	3.8	2.7
Luxembourg	4.0	6.4	1.5	3.4	2.5	3.0
Netherlands	1.4	1.3	0.8	1.4	0.6	-0.1
Portugal	10.6	12.3	9.7	13.0	0.9	-0.7
United Kingdom	7.4	8.3	5.1	5.4	2.3	2.9

* Commission forecasts (October 1989)

The picture is somewhat different in terms of purchasing power or real wage costs, with a faster rate of increase in only five Member States:

- . Luxembourg : here there is no cause for concern, since the unemployment rate is particularly low;
- . United Kingdom : the resistance to decline of real wages is partially offset by a more flexible labour market; nevertheless, accelerating inflation and a deteriorating external balance mean that a firm brake must be applied to growth;
- . Greece : the increase in real unit wage costs since 1987 indicates deep-seated imbalances in the economy;
- . Ireland and Belgium : wage increases have not posed any major problems in 1989, but they have been accompanied by a significant upsurge in consumer prices and risk triggering a new inflationary spiral.

In the years ahead, real wage increases must be kept within reasonable limits if the profitability of job-creation investments is to be further improved and the continuing excessively high levels of unemployment in the Community gradually reduced.

6.2 The situation in the Member States

Belgium

Wages were fixed on the basis of free bargaining between employers and workers.

- . The minimum monthly wage was increased by a supplementary collective agreement (No 43 a, National Labour Council). The increase of BFR 1 000 brings the minimum monthly wage up to BFR 35 050 and was designed to be introduced in two stages: the first half with effect from 1 July, the balance one year later.
- . Wage increases based on sectoral agreements will push the wage bill up by an estimated 3.5 - 4% in real terms over two years. This increase is below the rate of economic growth achieved in 1989 and forecast for 1990.
- . In the fourth quarter, after difficult negotiations, a 2% increase was agreed in public sector wages with effect from November 1990, together with increases in certain supplementary payments.

The Government continued its policy of increasing the minimum subsistence allowance ("le minlmex") and the lowest social security allowances. A sum of BFR 5.3 billion (125 million ECU) was set aside for this purpose during the preparation of the 1990 budget. The Government also set up a coordinated poverty action programme involving various government departments.

Denmark

On average, real wages stood still in 1989, and this situation is set to continue in 1990.

At the same time, differences in wage levels are increasing because of the preponderance of individualized pay negotiations, designed as productivity incentives. Special wage funds provided for in public-sector collective agreements serve a similar purpose⁽¹⁾.

Additionally, chronic unemployment has disadvantaged the weaker groups on the labour market, particularly women.

A committee operating under the auspices of the Ministry of Social Affairs proposed that all workers earning less than DKR 63.09 per hour should be entitled to their full wage during sick leave. The situation of workers earning up to DKR 70.10 per hour would also be improved. This proposal has not yet been ratified.

Federal Republic of Germany

The Government again respected the principle of collective bargaining autonomy and kept out of pay negotiations.

Wage agreements concluded at branch level incorporated moderate rises. But wage trends are primarily determined by the agreements concluded in 1987 and 1988 for several years. These provided for increases of 2% in 1989.

As a proportion of national income, wages dropped from 84.4% in 1981 to 67% in 1989, the lowest level since 1960. Given the exceptionally high profit levels in 1989 and the uncertainties about future price movements, there was a marked reluctance to sign further long-term wage agreements, and there was even talk of negotiating additional wage and salary increases and bringing the negotiations scheduled for spring 1990 forward by one year.

(1) cf chapter 4, p. 5

The controversy concerning wage differentiation in collective agreements continues unabated. The employers would like to see a greater degree of differentiation to take account of regional differences on the labour market and different levels of qualification among the workforce. The unions, however, consider that the degree of differentiation is already high - a view confirmed by a recent official study.

Greece

Collective bargaining went smoothly, thanks to the representative nature of the chief union body.

The general national agreement laying down the minimum levels of wage increase thus exceeded those adopted by the Government. Thus, extra increases were approved, above the automatic cost-of-living adjustment, which varied from 3.5% (for single persons with no accumulated period of service) to 7% (for married people with three three-year periods of service).

In the public sector, where there is no negotiating mechanism, wages increased by 4%, with a flat-rate index-linked increase of 1.4%.

Wage agreements relate only to the fixed element of the wage, and there appears to be a growing trend to link the variable element to individual performance. This variable element can often exceed the fixed element, and has no doubt increased still further. As a result, wage differentials are becoming more and more marked.

Spain

The State intervenes in the fixing of civil service wages by setting a budget for wage increases which guides (and constrains) collective bargaining. Traditionally, it also intervenes through the fixing of an intersectoral minimum wage, which was increased by 6% over 1988, while anticipated inflation was around 8%.

Wage negotiations were beset by conflict in 1989, with the Government failing in its attempt to negotiate overall agreements. Inflationary pressure caused the various parties involved to abandon the fixing of overall objectives limiting wage trends. For the first time since 1981, the rate of wage growth was linked to the anticipated level of inflation.

The unions also want to see the introduction of a "guaranteed purchasing-power clause" for the various incomes payable from the State budget, as well as the automatic adjustment of losses due to inflation.

Whereas remuneration schemes linked to productivity are relatively common, those linked to company results are rare. In 1989, however, numerous collective agreements concluded by major companies introduced a one-off "compensation for increased productivity" payment.

There has also been an increase in the practice of providing benefits in kind (canteens, low-interest housing loans, life assurance, health insurance, etc).

France

According to the INSEE (National Economic Studies and Statistical Institute), workers' wages increased by 4.2% on average, while prices increased by 3.6%. These moderate nominal increases accompanied a real growth in GDP of just under 4%.

The statutory minimum wage (SMIC) was increased twice to an hourly rate of FF 29.91, thus keeping up with wages as a whole in terms of purchasing power. Moreover, there was a drop in the number of persons earning the minimum wage.

In the public sector, the Government began by applying the 1.2% increases provided for in the November 1988 wage agreement. It subsequently awarded civil servants a one-off bonus payment of FF 1 200, with FF 900 for pensioners. More importantly, it began renegotiation of the civil service salary scales, the 1948 scales having become obsolete. The Government proposes to adapt them to the present-day situation and upgrade the entire career structure.

As regards remuneration schemes:

- . Employers are questioning the concept of seniority increments - a very widespread form of payment - since they see it as too rigid.
- . Individualized wage formulae have multiplied since 1988, and now apply to one wage in two. Individualized wages have increased more rapidly.

- . Negotiations on profit-sharing and worker participation continue to make progress, particularly in small and medium-sized undertakings. Profit-sharing represents approximately 4% of the total wage bill, the benefits being enjoyed by more than 2.7 million workers.

Ireland

Pay movements in 1989 were mainly in line with the terms agreed in the Programme for National Recovery, viz:

- . In the public sector, annual increases of 3% on the first IRL 120 of weekly pay, plus 2% on the balance;
- . In the private sector, similar increases determined by collective bargaining.

Thanks to this agreement, average earnings increased at the same rate as inflation.

The expiry of the national agreement in 1990 will usher in a period of uncertainty, since the unions have certain reservations which are likely to make new tripartite negotiations difficult.

The only notable development in methods of remuneration is the policy adopted by the Government to discourage, particularly through taxation, the widespread practice of providing payment in kind (free rail travel for railway workers, company cars, etc.).

Italy

Having pursued an interventionist policy on wage negotiations since the beginning of the decade, the Government stayed out of wage negotiations in the private sector in 1989. In the public sector, however, it kept wage increases down as part of its policy to revive public finances.

In industry, collective bargaining resulted in nominal wage increases of approximately 7%, while prices rose by 6%.

Under the Law of 26 February 1986, the index-linking of wages (sliding scale) was due to expire on 31 December 1989. However, it was agreed in multisectoral negotiations to continue with the same system in 1990.

As regards methods of remuneration, the increases are partly fixed and partly variable, i.e. determined at the workplace on the basis of criteria such as productivity, output or even assiduity.

From the point of view of wage taxation there were two important events:

- . a revision of the tax schedule, resulting in tax reductions from the beginning of the year, particularly on medium to high earnings;
- . an agreement between the Government and the unions designed to neutralize the tax pressure resulting from inflation of over 2%, followed by a Presidential Decree applying the agreement to 1990 earnings.

In the field of pensions, the following measures were taken:

- . various improvements to pensions (Law of 29 December 1988 and Decree of 29 September 1989);
- . a decision to apply to 1989 pensions, pending a general reorganization of the pensions system, a new method index-linking pensions to average earnings (1988 Finance Act). As a result, pension increases were considerably higher than anticipated.

Luxembourg

Wage movements were particularly dynamic in 1989:

- . the sliding wage scale triggered off an index-linked pay instalment of 2.5% from 1 September;
- . the minimum wage was raised by 3.5% with effect from 1 January;
- . the reference minimum wage for the calculation of social security benefits and ceilings was raised by 5.6% with effect from 1 January;
- . real hourly wages in industry increased by 2.6%.

Remuneration schemes continued to embrace a wide variety of components, including seniority increments.

The Government formed after the elections of 18 June declared support for the existing system of automatic linking of wages to the cost-of-living index as an important instrument of social peace. The Economic and Social Council adopted its opinion on the reform of the consumer price index on 5 December.

In the field of social benefits :

- . pensions were increased by 3.55% with retroactive effect from 1 January 1989, under a Law of 27 February 1989;
- . a Law of 31 May 1989 raised family allowances;
- . a Law of 16 June 1989 amended the Law of 26 July 1986 giving entitlement to a guaranteed minimum income. The main changes involved relaxing the residence conditions, extending the entitlement to young unemployed persons aged between 25 and 30, and taking account of beneficiaries' financial circumstances.

Netherlands

Pay policy in the last decade has been characterized by greater decentralization of decision-making and far less intervention by the Government, which instead has concentrated on promoting the right climate to help it achieve its macro-economic objectives.

The 1982 Social Pact between the employers, unions and public authorities has kept wage increases 15 to 20% below those in competing countries. Consequently, the Government has merely had to monitor developments in public expenditure, minimum wages and earnings in the public and semi-public sector, where it intervenes through the budget.

The minimum wage has been frozen since 1984, and demands are beginning to be heard for the reintroduction of an automatic adjustment mechanism. Collectively-agreed real wage increases remained low in 1989, at approximately 0.5%. The Government nevertheless underlined the need to continue with this policy of restraint so as to be able to face up to the challenge of 1992.

Portugal

The guaranteed national minimum wage, which had been insufficient for years, was increased on 1 January by 10.3% in industry and the services sector, by 14.5% in agriculture and by 14.9% for domestic work. The Government also reached an agreement with the employers and the unions on the principle of gradual standardization of the minimum wage by 1991 and on a real increase in the lowest wages.

Wages rose nominally by approximately 13.5%, and in real terms by less than 0.5%, thus remaining a relatively minor element in the GDP. Civil servants received only an 8% increase initially, with a subsequent adjustment.

The new tax system came into force, providing for the deduction of tax at source. The consequences of this provoked a great deal of discussion. The Government announced that the tax scales for 1990 would be raised to take account of inflation; this should reduce the overall tax burden.

United Kingdom

In some industries, notably retailing, hotels, catering and clothing manufacture, statutory minimum wages are set by independent wages councils. The decisions in the minima averaging about 7% in the year in question.

The Government did in fact try to encourage private employers to restrict increases to 5 or 6%, but met with only limited success because of high profit levels. Government pressure worked more successfully in the public sector, but at the price of serious industrial conflict.

Wages, therefore, continued to rise, by up to 10% in nominal terms and 3% in real terms - the highest rises since 1982.

Finally, income replacement allowances and welfare transfers were strongly influenced by the Government's policy to reduce social security expenditure.

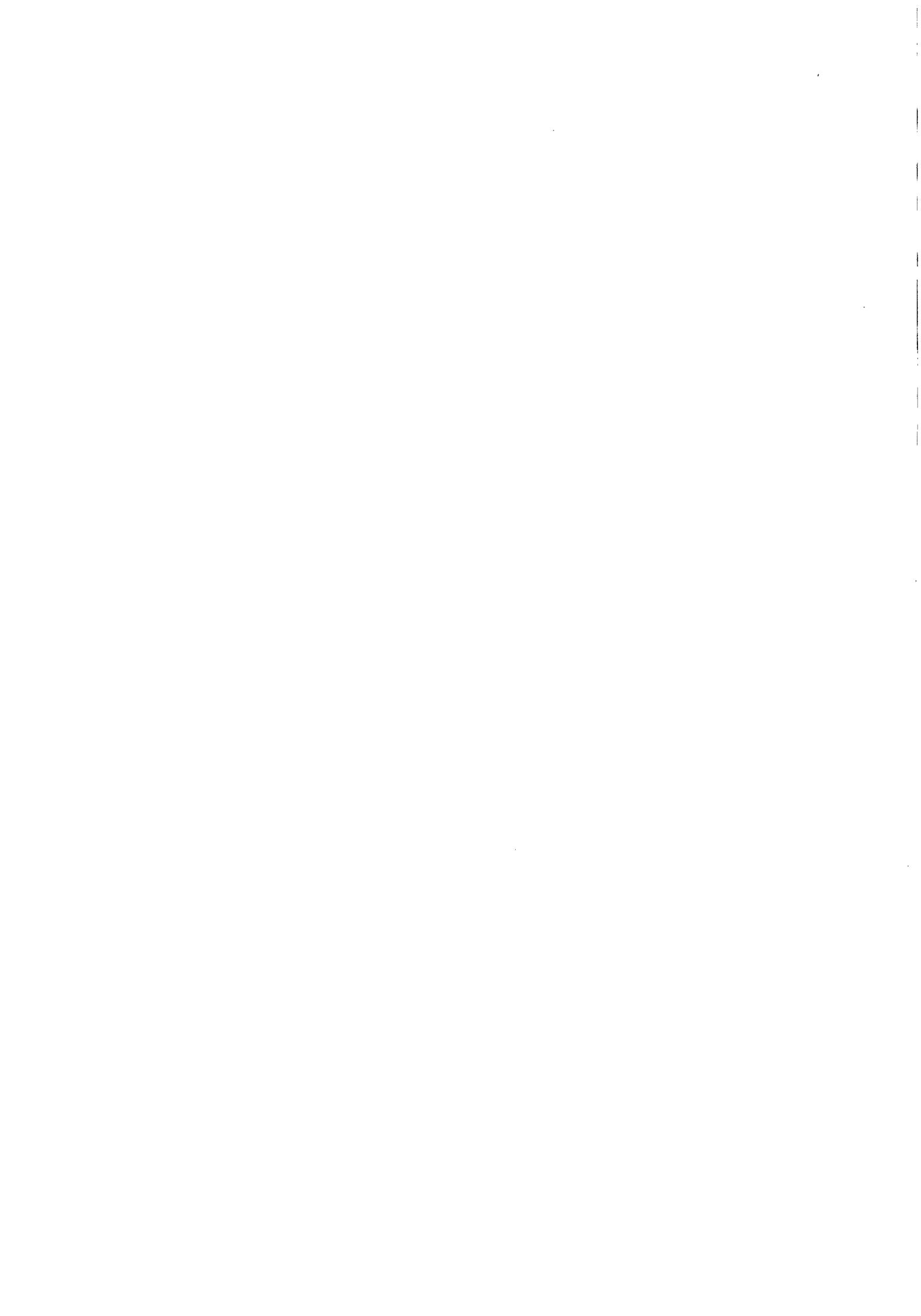
6.3 Additional Information

Report on Employment

The report published in 1989 is the first of an annual series. It covers a wide range of employment-related problems, placing the Community, as a heterogeneous whole, in a world-wide context and drawing the political lessons from the analyses presented. The report is aimed at a wide readership in the Member States.

Each year, the report will include a chapter on wage developments.

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CHAPTER VII:

LIVING CONDITIONS AND FAMILY AFFAIRS

7.1 Trends within the Community

The last few decades have brought far-reaching demographic changes for all the Member States even if the effects of these changes have been staggered and the pace of change has differed from one country to another. Underlying these changes have been a lowering of the birth rate and an increase in life expectancy with, as a result, an ageing of the population and, in the long term, a fall in population. Consequently there has been increased interest in family policy and policy for the aged, both at national and at Community levels. The questions raised by changes to the family structure, which have been brought about by the use of birth control methods, fewer marriages and an increase in the number of divorces in an economic climate which has also undergone deep-rooted change, were addressed in a Commission communication on family policy and in the conclusions adopted by the Council of Ministers and the Ministers for Family Affairs meeting within the Council, who requested the Commission to step up its monitoring activities and its exchanges of information, views and experience as regards demographic trends, the situation of families and family policy. The Commission also commenced work on Community measures in favour of the elderly. The effects of an ageing population are being felt virtually everywhere and there is evidence of a growing awareness of this problem throughout the Community. Policies are taking shape along three main lines:

- . expansion of community services, including the use of health visitors and the training of specialized health care staff;
- . encouraging elderly workers to take up employment to offset the fall in school leavers entering the labour market;
- . a study of present and future cost levels to be borne by the social security schemes owing to the increasing numbers of elderly persons and the growing demand for health care and State pensions.

Although its scale varies from one country to another, poverty continues to represent a major challenge for the social policies of the Member States. The conspicuousness of some situations, in particular that of the homeless, obviously continues to supply material for public debate and objectives for the efforts of the non-governmental organizations. Apart from these extreme cases of hardship the lack of a secure income and social integration affect very many households for multiple reasons, which include:

- . the continuing high rate of long-term unemployment;
- . the increasing number of single-parent families;
- . the continuing existence of loopholes in social security systems.

The problem of the minimum wage has thus been the focus of increasing attention, in particular in countries where it is a recent innovation or in countries in which such a provision has been applied only locally.

At the same time the attention being devoted to the phenomenon of long-term social marginalization and the desire to replace assistance-based approaches by solidarity-based approaches is leading the Member States and the institutions concerned to opt for policies of social reintegration, backed up by local development and training, with a view to promoting first-time access or subsequent access to the labour market⁽¹⁾.

Family policy has undergone a few changes, principally as regards taxation (abolition of the cumulation of income rule for spouses in Belgium and Spain) and, at a more fundamental level, changes to children's rights and adoption law.

Efforts continue to help the handicapped and are aimed at greater integration in school or at work as well as in daily life. These programmes are mainly organized by the Commission.

7.2 The situation in the Member States

Belgium

In the course of 1989 many aspects of social welfare for families were put on a regional footing or a community footing following completion of Phase 2 of the institutional reforms. However, the main programmes adopted remained within the remit of the State.

(1) It is for this reason that the main features of national anti-poverty policies are reviewed in Chapters 1, 3 and 8.

- . The tax reform adopted at the end of 1988 takes effect at the start of the 1990 financial year (Income for 1989). The main features of the reforms are:
 - . the separation of spouses' incomes,
 - . the introduction of the family quotient and
 - . the tax-deductibility under certain circumstances of the cost of child minders for children under the age of three.
- . Pensioners and those on low incomes will benefit little from this reform. However, various legal minimums, including the minimum subsistence allowance, the guaranteed income for the elderly and family allowances, were raised by 2%.
- . The Law of 8 May on the advance payments of alimony stipulates that under certain circumstances the public social assistance centres (CPAS) must make available to spouses who are owed money a part of the amount owed. The ceiling was fixed at BFR 2 000 per month per child.
- . The Royal Decree of 23 August extended the right to bridging allowances to all young people unemployed after completion of their studies.
- . On 22 December Parliament adopted a law on the protection of family housing.

On 6 November the Senate voted on the partial decriminalization of abortion. This bill was forwarded to the Chamber of Deputies and should, in theory, be adopted early in 1990.

Also worthy of note is the setting up of a 'hot line' to receive calls about child abuse.

As far as the integration of the disabled is concerned, a number of programmes will be added to the already wide range of measures implemented:

- . the Programme Law of 30 December 1988 contained provision for the reduction of employers' contributions to social security when a handicapped person is employed;
- . the employers' contributions envisaged by this law for the benefit of high-risk groups of workers will also facilitate the promotion of programmes for handicapped workers.

Denmark

On 1 October a law came into force which set marriages and registered common law marriages on an equal footing and legalized homosexual couples, affording them equality of treatment in matters of inheritance, taxation and a variety of other legal fields.

As regards children, the government declaration of December 1988 set out objectives which are currently in the process of being achieved. They include:

- . changes to working hours in order to promote family life. Flexible working hours were introduced for the public sector on an experimental basis, and for the private sector management and workers were asked to take this new arrangement into account in their collective bargaining rounds.
- . All women employed in the public sector now have the right to be paid their full wage during maternity leave, which is extended from 28 to 32 weeks. Fathers are entitled to two weeks' leave, and the last 10 weeks of maternity leave may be taken by the father.

There is no special definition of a handicap in Denmark and handicapped persons are not listed as such. They are nevertheless treated with impartiality by the Ministry of Labour's employment offices and by the rehabilitation services of the Ministry of Social Affairs. The public authorities afford them priority if they have the qualifications required. Lastly, free personal assistance is being made available at the workplace as part of a pilot project.

Another pilot project is in progress in the field of transport: Danish railways allow a person to travel free if accompanying a blind person and, more recently, if accompanying certain categories of physically or mentally handicapped person.

On 1 January a change took effect which personalized the system of old-age pensions. The notion of 'social income' was replaced by 'income base', which includes personal income supplemented by income from capital and a notional yield from assets. Moreover, limited reimbursement of medical costs and non-reimbursement of the cost of temporary home helps are particularly onerous for the elderly.

Federal Republic of Germany

With a view to striking a better balance between family life and working life, a programme was launched to promote the occupational reintegration of women who had left their jobs for family reasons.

This programme was given a budget of DM 30 million over five years and its aims are two-fold:

- . the setting up of an information and counselling system located at job centres;
- . the provision of financial support in the form of occupational training subsidies to firms employing such women.

Still in the same field, the law on parental child-rearing allowances (Erziehungsgeld) was amended so that the allowance would no longer be subject to income limits and would be available over a period of 15 months (18 months as of 1 July 1990). Parental child-rearing leave (Erziehungsurlaub) was also extended. These measures may be extended by the Länder if necessary.

In view of the rapid rate of progress in methods of artificial procreation and within the framework of the law on adoption surrogate motherhood became illegal.

The elderly now have their own political party, which was set up in 1989. They also received a 2% increase in the social benefits for which they qualified. The new law on the reform of the health care system (Gesundheitsreformgesetz) nevertheless contained one or two restrictions which affect the elderly.

This law also has a bearing on the integration of handicapped persons, in particular with regard to the recognition of the principle of 'rehabilitation before treatment'. In April the Federal Government submitted to Parliament a second report containing an overall synopsis of the situation of the handicapped.

Greece

The political climate (impending elections) and the continuation of the socio-economic crisis imposed limits on programmes for the benefit of the family. Nevertheless, certain measures were introduced in the first six months of the year:

- . families with four children or more would be given help in obtaining publicly-financed housing, finding a job in the public or parastatal sector or gaining admittance to university, as well as benefiting from a shorter military service;
- . in accordance with the General National Agreement of 1989 as ratified by Law 1849/89 maternity leave is 15 weeks and is applicable to all women in paid employment. Moreover, birth grants were doubled;
- . allowances made available to foster families taking in 'difficult' children were also raised.

Various measures were also taken in support of the elderly. The level of State pensions was revised. The 'home help' programme was decentralized in order to adapt its aims to the individual requirements of each region.

Lastly, for the handicapped, Law 1836/89 set up a Council for the training and occupational rehabilitation of the disabled, and provided for the establishment of sheltered workshops. Disabled children were also catered for by the Ministry of National Education, which set up a secretariat general for special schools.

Spain

On 7 April a 'State centre for personal independence and technical aids' was created by Ministerial Decree and affiliated to the National Institute for Social Services. Its aim was to encourage an architecture which catered for the handicapped and to promote research and information on technical aids offering the handicapped a measure of independence.

The Minister of Education introduced a draft reform which recognized the right of disabled children to be educated in a receptive environment and one as unrestricting as possible. Specifically, they should be taught the same school syllabus as other children, even if some technical aids and adaptations proved necessary.

Of note with regard to the elderly was the setting up of a balneotherapy programme to supplement the basic social security services. Subsidies would be provided to meet a large measure of the cost of this service. In July the Council of Ministers adopted a bill which introduced new free social services.

Lastly, the following changes were introduced with regard to families:

- . maternity leave was extended from 14 to 16 weeks⁽²⁾;
- . spouses could now make separate declarations of income;
- . publicly-funded dwellings would be built for low-income families and the latter would be offered loans at a reduced rate of interest of 7.5%.

France

The Committee for 'Social Protection' submitted a number of proposals under the Tenth Plan aimed at consolidating the solidarity schemes set up for the benefit of families. However, aware of the need to control social insurance costs in the long

(2) cf. Chapter 8, p. 5

term, the Committee considered that the best approach would be to examine existing facilities before increasing the size of the funds. The Committee also considered that it was advisable to proceed more selectively, in particular for the benefit of large families and the more deprived families.

On 6 September the Council of Ministers adopted a bill aimed at providing help for heavily indebted families. The bill contained provision for a conciliation procedure to sort out the family finances and to make both lenders and borrowers more aware of their responsibilities.

On 2 October Parliament adopted at its first reading a bill to protect mothers and children by amending various legislative and administrative instruments on family planning, pre- and post-natal consultations, checkups in kindergarten, child-minding arrangements and the detection of child abuse.

As far as the disabled are concerned the regulations governing the approval of reception centres and services were revised to ensure enhanced personal care and greater contact with the outside world.

Law No 89-475 of 10 July dealt with the care of elderly handicapped persons in the homes of private persons - the aim being to guarantee a maximum degree of care at an acceptable cost and under supervision by the competent authorities.

The elderly qualify for exemption from social security charges in connection with the employment of a home help. A campaign was also launched by the UNASSAD (Union Nationale des Associations de Services et de Soins à Domicile) home care association to promote the setting up of a fund for home helps to meet the requirements of the dependent elderly.

Ireland

The Act on legal separation and the reform of family law came into force on 19 October. The Social Welfare Act of 1989 contained new provisions in accordance with which men and women are liable to maintain dependent spouses and children. If they fail or neglect to do so and as a result payments have to be awarded under the social welfare deserted spouses' schemes or the supplementary welfare allowance scheme, the liable relatives are required to contribute towards the cost of such payments. Payment of such contributions is enforceable by Court order.

In August the Legal Reform Commission published a report on the sexual abuse of children with a view to drawing up recommendations on the protection of children.

Two bills were of relevance to the elderly:

- . the first, concerning social security, provided (in Article 30) for allowances to be paid to persons caring for the beneficiary;
- . the other, concerning health, was aimed at updating the law on homes and provided for binding rules to be established to govern residential accommodation for the elderly.

A coordinating committee representing the various institutions responsible for the mentally handicapped was established to assess requirements and establish priorities.

Italy

1989 witnessed few noteworthy developments.

- . Significant reductions in social security benefits, which were introduced to correct the financial shortfall, will affect the elderly first and foremost.
- . In the new Government, the Minister for Social Affairs has responsibility for the handicapped and the elderly but the family no longer belongs to his portfolio. The President of the Council of Ministers requested the Minister to organize a conference on social policy. He would also supervise three study groups, one of which was to report on poverty.
- . Law No 13/89 imposed restrictions on building design to guarantee disabled persons a maximum degree of independence and mobility.

Luxembourg

The Grand-Ducal Decree of 14 July 1989 gave the Minister for the Family the new title of Minister for the Family and Social Solidarity. His responsibilities were extended to include the situation of women, whereas the public housing sector was reallocated to the Ministry of Housing and Town Planning.

In the field of family policy the Law of 13 June reformed adoption by:

- . easing the conditions to be met and, in particular, by lowering the minimum age of the adopting party;
- . making full adoption irrevocable and making provision for a relinquishment procedure to this end;

. amending the rules governing conflicts of laws.

The Law of 16 June, amending the Law of 24 June 1986 on the right to a minimum guaranteed income, relaxed the residence requirements applicable to recipients and extended coverage to adults caring for an elderly person or a person suffering from a serious illness necessitating constant attention.

The level of the guaranteed minimum income was also adapted to the rise in old age pensions which, with other pensions, were increased by 3.55%. Family allowances were also substantially increased by the Law of 31 May.

Lastly, the Law of 22 May introduced a care allowance for elderly persons requiring constant assistance or care, and the same law set up a committee to supervise placement in nursing homes.

Netherlands

The law on residential homes was amended. It was agreed that the funds available for them would be split among the provinces and the four major cities on the basis of the number of persons aged 75 or more living there.

A new bill would be put before Parliament in 1990, containing provisions for these funds to be made available to persons eligible but not resident in a home. Similarly, another regulation would cover persons eligible to reside in nursing homes but who were receiving care at home.

Another bill concerned the setting up of a council to define policy for the elderly.

The amendment of 1 January to the law on unemployment relief work enhanced the decision-making powers of local authorities in order to improve the training of persons carrying out such work and their subsequent placement on the labour market.

Lastly, in August, the Government decided to reassume responsibility for staff training for special teaching posts and at the same time to improve cooperation between special teaching and normal teaching in order to limit the use of special teaching.

Portugal

In May a framework law was adopted on the protection, rehabilitation and integration of handicapped persons. The law was aimed at ensuring that the rights established by the Portuguese Constitution regarding equality of treatment were duly applied.

- . Decree-Law No 215/89 significantly reduced the tax liability on disabled persons' earnings.
- . Decree-Law No 247/89 introduced a new legal framework for occupational rehabilitation and set up 'the concessionary scheme' to support the promoters of programmes for the integration of handicapped persons. The Institute for Employment and Occupational Training would monitor these operations.

In the wake of the framework law on family policy (Lei de Bases da Família) a number of ministerial programmes were introduced to determine 'egalitarian' policies. Studies were organized on family values, the situation with regard to adoption and the apportionment of time between work and family. However, no major concrete measures have been taken so far.

United Kingdom

The Children Act 1989 which received Royal Assent in November 1989 constituted a major reform and rationalisation of legislation with regard to children:

- . parental responsibility was redefined so that it is never lost by parents;
- . a flexible range of court orders was introduced replacing custody and access orders to be available to the court in all family proceedings (including care proceedings for children);
- . the responsibility of local authorities for safeguarding and promoting the welfare of children was clarified and strengthened and new measures for protecting children from abuse were introduced; and lastly
- . new regulations on planning and reviewing the welfare of children looked after by local authorities and new regulations on the specific types of placement were introduced.

The major developments affecting the elderly included:

- . the abolition of the restriction on wages earnable by persons receiving the State pension⁽³⁾;
- . the setting up of a programme (Jobstart +) designed to make job finding easier, initially aimed at part-time jobs, for persons aged over 50⁽⁴⁾.

(3) cf. Chapter 8, p. 11

(4) cf. Chapter 1, p. 11

The Government is also reviewing the possibility of creating a fund for dependants, including the handicapped. The aim is to have a single source of public funds to provide flexible health care geared to individual requirements.

A strategy document published in June on Wales proposed that a cooperation scheme should be established between voluntary organizations and local authorities with regard to the care to be given to the mentally ill, so that these persons need not be in institutions where not necessary.

Other noteworthy developments included:

- . an order which came into force on 1 February, requiring all newly licensed London taxis to provide the means of access for wheelchairs. This rule will apply to all taxis with effect from the year 2000;
- . a law which came into force in Scotland in 1989 on independent schools, requiring the special educational needs of children from the age of two to be identified and allowing schools the freedom to assume a share of the costs when these needs call for a period of residence abroad.

7.3 Additional Information

Observatory on family policy

This observatory was set up at the beginning of 1989. It comprises a coordinator and 12 scientific experts. It is required to produce an annual report on demographic trends, the situation of families and measures affecting them at Community and national level. The first report is due to be published in July 1990.

IDEF - 3 Rue du Coq Héron, F-75001 Paris

Observatory on 'combating social exclusion'

This observatory was set up pursuant to the Council Decision of 18 July 1989 establishing a medium-term Community action programme concerning the economic and social integration of the economically and socially less privileged groups in society and the Resolution of 19 September of the Council of Ministers for Social Affairs calling on the Commission to promote the reciprocal exchange of information between Member States in this field.

The network brings together the national observation systems and coordinates them within the framework of research activities undertaken under the new programme. It is based on the observatories already in place.

The data collected will form the basis of national annual reports and a summary report for the Community as a whole.

Commission of the European Communities - DG V,
200 Rue de la Loi, B-1049 Brussels

European Foundation for the Improvement of Living and Working Conditions

The Foundation publishes a newsletter five times per year on the living and working conditions in the Community and the Foundation's work in this field.

Loughlinstown House, Shankill, Co. Dublin, Ireland

CHAPTER VIII: SOCIAL SECURITY

8.1 Trends within the Community

With unemployment rates remaining high throughout the Community the various social security systems continue to face budgetary constraints. These are the underlying cause for three types of action which, to varying degrees, are evident in each Member State:

- The need to improve management of resources available is prompting a number of countries to reform certain aspects (Denmark, Greece, Netherlands, United Kingdom) or major sections (Italy) of the institutions responsible for their management.
- These countries are also attempting to exercise more effective controls on rising expenditure on social services. Major changes in this area have been introduced in Italy and Belgium.
- Lastly, countries have become more concerned with more accurately channelling the resources towards the groups at risk and, in particular, towards the long-term unemployed. Occupational integration programmes have been launched (RMI in France, for example) and even vocational training programmes are being co-funded by social security schemes (in Portugal, for example).

Despite the restrictions the average level of benefit continues to rise and steps have been taken to make available to every single person, without discrimination, the same entitlement to a minimum degree of social protection. There is evidence of this throughout the Community, but it is most pronounced in five of the six countries which most recently became members of the Community.

Of these, it is the countries in southern Europe that are also taking steps to protect those of their citizens who have emigrated⁽¹⁾ and are extending their social security legislation to include these groups.

Lastly, smaller scale reforms and various discussions have centred on what will be the major concern over the next few years: the whole of the Community is affected by the ageing of the population and the need to adapt pension schemes accordingly. Between now and the year 2000 only the United Kingdom, Ireland and Denmark will remain unaffected by this trend.

(1) cf. the sections on Spain and Greece in Chapter 1.

Countries whose populations are relatively young, such as France, Luxembourg and Greece, will start to witness a population structure resembling that of the older populations such as those of Belgium and the Federal Republic of Germany. The proportion of over 65s will increase by about 3% and this will call for major changes in the financing of pensions.

The burden represented by the non-working population will become most onerous, and most quickly so, in Belgium, the Federal Republic of Germany and Italy. These three countries will in the long term (from 2010 onwards) have more old people than ever before and they will be obliged to innovate. The plans for reforms are also most advanced in these three countries.

8.2 The situation in the Member States

Belgium

A number of executive decisions this year have laid down the procedures for the implementation of two programme laws (adopted on 30 December 1988 and 6 July 1989) establishing the general principles and creating the legal basis necessary for far-reaching reforms in social security, covering organization and funding, field of application and benefits.

The introduction of an annual record of contributions necessitated:

- changes to passages concerning dependants and a re-definition of the concept;
- a new definition of the circumstances under which benefits may be obtained;
- separate fixing of the duration of the qualifying period for benefits and health care.

In addition, a social security record card should enable a more effective check to be made on the granting of benefits and the receipt of contributions. Among other things it is intended that it should help to reduce the scale of the problem caused by casual labour in the construction industry. Other provisions in this area have also been introduced:

- the main contractor must now keep a daily list of workers employed on the site, including those employed by subcontractors;
- the main contractor must also retain part of the payments made to subcontractors and forward them directly to the Belgian social security scheme.

A number of measures have been implemented in the field of clinical biology in order to bring down the level of expenditure. 75% of the expenditure allocated to hospitalized patients will in future be reimbursed on a flat rate basis. For day patients the reimbursement procedures have been tightened up and the system of direct payments by the sickness insurer may have to be restricted.

As regards unemployment benefits there will be stepping up of checks along with a further widening of the range of benefits (new categories of foreign members, seniority allowances etc.) Moreover, employers will continue to pay lower contributions when jobs are given to the long-term employed.

Lastly, a fundamental principle of the laws of December 1988 and July 1989 deserves mention, and that is the principle of the supplementary insurance schemes providing financial support as a gesture of general solidarity. A charge is levied on the premiums paid to supplementary sickness insurance schemes and on premiums paid to supplementary retirement pension schemes, the funds thus collected being channelled into the national schemes in these two fields.

Denmark

For several years now, the strong growth in wage costs has reduced the competitiveness of Danish industry. In 1989, therefore, the climate was hardly propitious to great advances in social protection.

Efforts concentrated mainly on institutional reform aimed at more efficient management of social security and on a new distribution of the cost of medicines to bring down health expenditure.

- . Act No 196 of 23 March set up a new board to deal with industrial injuries, concentrated all other branches of social security into the National Board for Social Welfare and discontinued the former National Social Security Office.
- . An amendment to the National Health Insurance Act reduced from 1 July the number of medicines giving right to a partial refund but made insulin free of charge for diabetics as from 1 January 1990.

Despite these constraints some measures have been taken to reinforce equality of rights with regard to the actual level of social protection.

- . Act No 271 of 3 May introduced, with effect from 1 January 1990, a minimum daily cash benefit (in case of sickness or maternity) payable to all self-employed workers and assisting spouses.

- . Under the terms of Act No 364 of 7 June 1989 amending, inter alia, the Placement and Unemployment Insurance Act, a general minimum rate was established from 1 July 1989 onwards for unemployment among the self-employed where such persons had been self-employed for at least three full financial years.
- . With effect from 1 May the cash assistance payments received by those qualifying for such were included in the calculations to establish the level of parents' payments for the maintenance of their children in day care institutions so that low income families do not actually receive a net income lower than that of those families living under a cash assistance scheme.

Federal Republic of Germany

The main concern for the future is the burden imposed on health expenditure and pension schemes by an ageing population and its effects on the financial stability of the system.

A reform of the health care system was passed in 1988⁽²⁾ and first results of the concerted action launched thereafter were announced by the Minister on 10 April. The main points were a limit on the expenditure by doctors and dentists, a reduction in medical prescriptions, a reduction in hospitalisation costs and a reform in medical studies.

Much discussion took place during the year on the reform of the statutory pension insurance system, and three basic principles were laid down. They underlie the Pension Reform Act 1992, passed on 18 December, which will be applicable in 1992. These principles are as follows:

- . reform will take place within the framework of the existing system which is assumed to be sufficiently flexible;
- . financial burdens are to be borne jointly by pensioners, contributors and the Federal Government;
- . those three sources of adjustment will be interlocked in a self-regulating system yet to be elaborated.

Two other developments should also be mentioned as they are innovative expense-regulating devices:

- . within the social security system, the right to social benefits and pension insurance acquired by virtue of services rendered in the family circle will be extended or introduced;
- . In a more general context, the Act to encourage relinquishment of agricultural activities (FELEG), passed on 21 February, provides agricultural entrepreneurs with a 'production surrender pension' made up of a basic amount corresponding to the old age benefit under the assistance scheme for farmers plus a bonus depending on the area left uncultivated.

(2) Cf. Commission of the European Communities, Report on Social Developments 1988, p. VIII-5.

Greece

Like other countries Greece is facing a major shortfall in funds for the national social security scheme and the national pension schemes. The deficits are due to the ageing of the population, the lowering of contributions and a much higher level of social benefits. In his Government's programme, presented to the National Assembly, the Prime Minister addressed in particular the need to reform the social security scheme. Other specific measures included:

- Laws No 1855 and No 1856 ratifying ILO Conventions No 141 and No 142;
- Article 16 of Law No 1836 of 14 March, which provides for the continuation of supplementary social benefits if the employer goes out of business;
- a bill containing provision for aspects of social security (with the exception of pensions) to be settled by collective agreements between workers and employers;
- immediate provision for all workers to receive their main pensions from a single pension scheme (the IKA).

Spain

A number of measures were taken to extend the level of social protection to certain categories of workers and to harmonize various regulations with those of the Community. Among such measures particular mention must be made of an extension of maternity leave, which becomes more flexible and special attention given to the long-term unemployed, especially to the older unemployed.

- Law No 3 of 3 March allows the father to take up to four weeks of the maternity leave extended to 16 weeks instead of the previous 14.
- ILO Convention No 102, which imposes a minimum social security level, was ratified on 29 June.
- Royal Decree 3/1989 of 31 March extends welfare benefits to the long-term unemployed, especially to those over 45 years old.
- Under Royal Decree 1089/1989 of 8 September, medical cover is extended to persons on low incomes or without income who do not contribute and were thus previously excluded from the system.
- The State budget for 1989 included a special provision for those workers who were brought into "employment promotion funds" before the age of 55 but whose contributions to a pension insurance scheme are insufficient because of prolonged unemployment.

France

The report by the audit board, which was published in November, showed the extent of the recovery of the national social security scheme, which, in 1989, would be almost financially balanced. Sustained economic growth was in part responsible for the recovery.

Nevertheless, tight economic constraints would persist in the medium term and the Social Welfare Committee for the Tenth Plan put forward three objectives for the period 1989-1992:

- the adaptation of the old age-pension schemes and the control of expenditure on sickness insurances;
- the creation of a financing plan capable of reconciling economic efficiency with social justice;
- the allocation of available financial resources to specific action in favour of low-income families, elderly dependants and those excluded from cover.

It is against this background that the occupational integration minimum income (RMI) was introduced on 15 December 1988⁽³⁾. When the law was being drafted the number of potential beneficiaries was estimated at some 570 000 households, or 1 500 000 persons. On 31 December 1989 there were 405 000 households benefiting (including 75 000 in overseas departments); making allowance for the 75 000 households to whom the provision ceased to apply in the course of the year, the total number of RMI beneficiaries between 15.12.1988 and 31.12.1989 was 480 000 households. The main difficulty concerns the effectiveness of the integration programme and the success of the provision cannot be confirmed yet.

Additionally, in order to facilitate the reintegration of the long-term unemployed the Law of 13 January abolished the ceiling on employers' contributions for family allowances and extended the employers' exemption from social security contributions when recruiting the long-term unemployed.

There are plans to ensure funding by introducing at some future date a standard social security contribution to be applied across the board to all incomes. This plan is the target of much debate.

(3) cf Commission of the European Communities, Report on Social Developments 1988, p. VIII-7.

Ireland

No major reform took place this year and contrary to most national trends, many measures adopted or discussed in 1989 were cost increasing measures which had basically one of two purposes:

avoiding discriminations in the entitlement to social benefits;

- . A social assistance scheme was introduced for widowers and deserted husbands along the same lines as the existing non-contributory schemes for widows and deserted wives.
- . The Supreme Court decided that a discrimination exists against married couples because they receive lower rates of unemployment assistance than unmarried but cohabitating couples. The Government introduced emergency legislation pending the outcome of further analysis provided by a specially convened committee.

or raising the level of social protection.

- . A special increase of 12% in social security payments was granted to the long-term unemployed.
- . Weekly child allowances are now payable up to the age of 19 (instead of 18) for children in full-time education in certain schemes.
- . Certain EC pensioners became entitled to various free concessions.
- . The Government announced its intention to extend the social insurance cover of civil servants and public sector workers.
- . A Vocational Training Opportunities Scheme was established as an extension of a pilot scheme instituted in September 1985. It allows long-term unemployed people to study full-time for examinations up to the leaving certificate level under a grant equivalent to unemployment benefit.

Italy

Various proposals for the reform of the social security system are being drafted or are already being debated in Parliament. Their main aim is to cut public expenditure and they relate principally to the national health service, unemployment insurance and the pension scheme. The reform of the pension scheme is particularly crucial since the Italian population is forecast to fall by 25% by the year 2040, while at the same time the number of elderly persons is set to double.

Two major programmes were, however, adopted in 1989 to pave the way for more far-reaching reforms:

- Law No 88 of 9 March 1989 reformed the National Social Welfare Institute (INPS), which was given greater self-management powers and will concentrate on social welfare benefits. Social assistance benefits will be managed separately and transferred gradually to the State.
- The said law also reformed the National Institute for Insurance against Accidents at Work (INAIL) along the same lines.
- Decree Law No 111 of 25 March 1989 reintroduced, with effect from 1 April, the payment of a personal contribution towards the cost of laboratory analyses and examinations and the cost of consulting specialists. The levels of other personal contributions were also raised. However, a range of exemptions will apply. They relate to 30% of the population and 85% of expenditure, so a more far-reaching reform is being studied. This reform would allocate to each citizen an annual number of health-care credits equivalent to the average amount of expenditure currently recorded.

Lastly, Decree-Law No 110 of 28 March 1989, ratified by Law No 389 of 7 December 1989, halved the amounts of social insurance contributions paid by the State on behalf of firms in the north and centre of the country in a number of industrial sectors. This measure is unlikely to be extended to 1990 but a more general proposal for all industrial sectors is being prepared.

Luxembourg

The main programmes adopted relate to the updating of the level of benefits (invalidity, pensions, retirement pensions, family allowances) or their extension to include various social categories (extension to firms' directors of compulsory accident insurance, for example).

Other extensions are included in the Law of 22 December, which is intended, among other things, to align the various pension schemes.

The law relating to the State's revenue and expenditure budget for the 1990 financial year was also adopted on 22 December. It extends the programmes introduced in 1983 to make up the deficit in the sickness insurance funds:

- by raising the ceilings for sickness insurance contributions;
- by obtaining from pharmacists a 5% rebate on the retail price of pharmaceuticals in favour of the sickness insurance schemes;
- by reducing the fees charged by doctors and dentists.

Netherlands

The economic situation and the state of unemployment continue to make strict wage control necessary: after a four years discussion on alternative ways of financing social security, the State Secretary for Social Affairs took the view that improvements in the labour market can be more readily achieved by controlling the trend in expenditure on social security together with a policy aimed at wage restraint.

- . A bill has been introduced to link changes in minimum wage and social benefits to the labour market situation, purchasing power and the development of public expenditure. It is intended to replace ad hoc legislation, but discussion has so far been deferred.
- . The so-called "AAW-Reparatiewet" entered into force on 4 May. Disabled persons not actually having lost any income as a consequence of their disability will lose their benefit after a transitional period.
- . Work is progressing on the second phase of a series of bills to establish a sickness insurance scheme in which the entire population will be covered for all essential forms of medical care. (Now put before Parliament - June 1990). The Netherlands government hopes to complete all the necessary legislative procedures in 1995.

Major changes will come into effect on 1 January 1990 as regards social security contributions. The relative weights of employers' and employees contributions will be changed, as will those of taxation and contributions. These changes will affect the calculation of benefit payments and pensions.

Under the Old Age Pension Act, the allowance given to persons over 65 years old is reduced if a younger partner has earned income. Although this arrangement does lead to indirect discrimination against women, it was judged on a test case before the Board of Appeals in Haarlem that it complies with the first EEC equal treatment directive in the field of social security because the allowance is meant to provide a minimum income guarantee only.

Portugal

The plan for 1989 stressed the complementarity of the roles of the State and the private institutions as regards insurance. This line of action, already adopted for the pension funds, this year introduced the third stage for social security.

- . Decree Law No 225/89 of 6 July organized the supplementary occupational social security schemes and provided for them to be managed by the mutual benefit insurance societies.

Particular importance was attached to the reintegration of excluded persons.

- Vocational training is co-funded by the social security system for long-term unemployed persons, persons seeking their first jobs, excluded persons and migrants.
- Decree-Law No 64-C/89 of 27 February is a support measure to encourage the placement of the long-term unemployed, and consequently enhance social security provisions, by the use of temporary exemptions from the payment of contributions which employers would otherwise be required to pay.

Numerous measures are also intended to ensure more effective management of funds and to exercise some control on expenditure notably:

- Decree-Law No 59/89 of 22 February establishes the degree of involvement of the social security institutions in civil or criminal proceedings in connection with cases of invalidity, old age or death caused by a third party, the aim being to ensure the reimbursement of benefits paid in the interim.
- Decree-Law No 64/89 of 25 February established a system of sanctions for infringement of the social security rules and at the same time set up a social security tribunal, with the possibility of appeal to a court of law.
- Decree-Law No 259/89 of 14 August set up the Social Security Financial Stabilization Fund and introduced enhancement and guarantee provisions to ensure the soundness and development of the financial base for the social security system.
- Decree-Law No 380/89 of 27 October has provisions for the backdating of payments of contributions for periods of actual employment by persons not previously covered by the schemes so that better account can be taken of employment patterns for contribution purposes and pensions can be adjusted accordingly.

United Kingdom

Main changes relate to the financing of social security. Together with a strict control of expenditure, attempts were made at reducing the share of public spending on social benefits.

- The Social Security Act of 21 July abolished the government subsidy to the National Insurance Fund. It had previously been reduced in 1980 from 18% to 5%.

- . The same Act requires persons claiming unemployment benefits to show that they are actively seeking work rather than just available for work.
- . The tax treatment of personal pension schemes has been improved in order to give a boost to these personal pensions.
- . Reductions were also announced in employees contributions to social security.

Regarding individual rights and equal treatment, two points are worth mentioning.

- . Restriction on earnings by old age pensioners was abolished in order to give more choice and flexibility.
- . The provisions of the second EEC Directive on equal treatment between men and women in the field of social security were implemented in the Social Security Act of 21 July.

8.3 Complementary information

Comparative tables of the social security schemes

This booklet provides for a rapid comparison of social security schemes in the different Member States by means of descriptive tables and covers all schemes applicable to employees in industry and commerce. It does not claim to provide full details but is intended to provide information to allow the reader to compare easily the essentials of one country's legislation with another's.

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200 rue de la Loi, B-1049 Brussels

Comparing figures

For quantitative comparisons reference should be made to such publications as "Medium-term projection of social expenditure and its financing" and "Social protection statistics" and to the various studies carried out by the Commission.

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Office for Official Publications of the European Communities
National sales offices

Missoc

The Missoc (Mutual Information System on Social Protection) is a network of national experts meeting twice a year to discuss national social protection policies.

The information gathered by Missoc forms the basis for the publication of a summary report every year and the now annual updating of the comparative tables of social security schemes. Lastly, a computerized data base is to be set up soon and rendered accessible to a wide range of users in order to provide "real time" information on developments in progress in each Member State.

Commission of the European Communities,
200 rue de la Loi, B-1049 Brussels

CHAPTER IX:

OCCUPATIONAL SAFETY AND HEALTH

9.1 Trends within the Community

There was continuing sustained activity in all Member States in the field of safety and health.

The process of transposing Community provisions into national law continued satisfactorily. The main national laws adjusted were those concerning dangerous agents.

Several Member States reinforced the technical inspectorates responsible for monitoring proper implementation of the regulations.

In 1989 the Commission signed an agreement with the European Trade Union Confederation to provide for the consultation and to facilitate the participation of workers' representatives in the Community's procedures for drawing up standards in respect of health and safety at the workplace.

9.2 The situation in the Member States

Belgium

Very few decisions were taken in this field, apart from :

- the Walloon Regional Executive's Decree of 27 April 1989 concerning the risk of serious accidents in certain industrial activities.

There was also a Ministerial Decree of 18 August 1989 governing the use of systems relying on pyrotechnic devices for activating safety equipment. This Decree was promulgated in the interests of worker safety.

The Belgian Trade Union Confederation (FGTB), at its annual conference in September, formulated a number of demands relating to legislation on subcontracting, medical surveillance of temporary workers, the problems of VDU work and additional resources for inspection and control.

Denmark

There are few changes to report this year:

- the Ministry of Labour Decree of 10 October 1989 amended the Decree on genetics and the working environment;
- the Labour Inspectorate Decree of 11 December 1989 banned certain substances and materials, in accordance with Directive 88/364/EEC;
- the Ministry of Labour Decree of 21 December 1989 amended the Ministry of Labour Decree on the performance of dangerous work by young persons.

The Labour Inspectorate published instructions concerning the evaluation of lifting operations and wood impregnated under pressure. Brochures were also published as part of the campaign against the use of carcinogenic substances and materials (surface treatment of iron and metal, the plastics industry, automotive lacquers, the graphics industry, the paints and lacquers industry, laboratories).

Federal Republic of Germany

January 1 saw the entry into force of the Law of 20 December 1988 on structural health reforms (Gesundheits-Reformgesetz). One important provision in this Law is that sickness insurance funds must contribute towards the prevention of occupational health risks by collaborating with the statutory insurance institutions, supplying them with any information likely to be of use to them.

The Order of 21 April 1989 extends the scope of the Order on pressure vessels to opencast mines and sewers. It also includes amendments to take account of technical progress and transposes into German law three Community Directives (84/525, 526 and 527/EEC).

The Order of 18 July 1989 banning polychlorinated biphenyls and triphenyls and restricting the use of vinyl chloride contains prohibitions relating to the manufacture, marketing and use of these substances, as well as rules for the labelling of products containing polychlorinated biphenyls.

The "Dangerous Substances" Committee adopted new technical rules, published by the Ministry of Labour in its official bulletin. The most important relate to formaldehyde, direct skin contact with dangerous substances and the labelling of waste.

In the field of equipment safety, the Federal Minister for Labour published a new version of the registers containing the accident prevention rules and the safety standards and regulations applied by the bodies responsible for inspecting equipment.

The revised version of the second Implementing Order under the Explosives Law entered into force on 1 October. It relates mainly to the storage of explosive substances.

The February issue of the Ministry of Labour's official bulletin contains a communication from the Federal Minister for Labour and the Federal Minister for Research and Technology concerning the granting of financial aid for R&D projects designed to protect health at workplaces in air-conditioned premises.

On 14 April 1989 all the control bodies which issue safety labels pursuant to the Law on Equipment Safety met, for the first time, to exchange experiences at the Federal Office for Occupational Safety and Health in Dortmund. Among other things, they examined the progress of European work on the subject of control and certification.

Greece

Law 1836/89 of 14 March extends the scope of the occupational safety and health legislation to cover workers employed by the State, local authorities and corporate bodies governed by public law. 500 000 workers are involved.

Law 1836/89 of 14 March on the keeping of attendance registers in shipyards is designed to introduce more systematic control procedures with the dual aim of reducing the hazards in shipyards and reducing non-payment of contributions to the social insurance schemes. The Law also contains the necessary provisions for extending the attendance register system to other construction and repair sectors with similar problems.

Law 1837/89 of 23 March lays down the conditions of employment of minors aged under 15 years so as to prevent any risk to their physical and mental development.

Presidential Decree 225/89 of 4 May lays down the safety and health measures to be taken in underground workings, a category for which no specific legislation previously existed. The Decree covers the general obligations of persons responsible, the general and particular safety measures, and the organization measures needed in order to prevent risks to safety and health.

Ministerial Decision 3232/41/89 of 26 May on the procedures for monitoring dangerous gases on vessels and floating structures, and on the constitution of a nine-man committee, introduces new provisions for the granting of the "GAS-FREE" certificate.

Joint Ministerial Decision 130558/89 of 16 June on the safety and health of workers in computer centres run by the State, local authorities and corporate bodies governed by public law lays down measures for personnel employed on VDU work in such centres. The main provisions concern the ergonomic design of workplaces, the organization of working and rest time, and obligatory ophthalmological examinations.

Presidential Decree 368/89 of 16 June reorganizes the departments of the Ministry of Labour, which will result in a virtual doubling of the numbers of office-based civil servants and a tripling of the numbers of technical and health inspectors.

Circular 130668 of 19 July governs the working conditions and protective measures applicable to persons exposed to extreme temperatures at work.

Joint Ministerial Decision 131/099/89 on the protection of workers' health by the banning of certain specified agents and/or work activities is designed to bring Greek legislation into line with the corresponding EC Council Directive of 9 June 1988.

Spain

The Royal Decree of 27 February 1989 on the determination and limitation of the noise emission levels of certain forms of construction plant and equipment transposes into Spanish law the general Directive 79/113/EEC and the related particular Directives.

The Royal Decree of 27 October 1989 lays down measures for the protection of workers against the risks related to exposure to noise at work and provides for preventive measures to be taken above 80 decibels, compared with the level of 85 decibels laid down in the Directive.

France

The Arrêté of 31 January 1989 provides for special medical surveillance of workers assigned to workplaces with a daily noise exposure of 85 decibels or above. Recommendations and technical instructions for occupational physicians performing such medical surveillance are laid down in a document specifying the nature and frequency of the examinations.

The Decree of 7 February 1989 lays down the safety and health requirements in relation to powered industrial trucks and their equipment. The number of electrically-powered and internal-combustion-engine-powered industrial trucks in service in France is estimated at 300 000 or more. There are specific provisions in respect of trucks not complying with earlier texts but complying with European Regulations.

The Arrêté of 1 April 1989 stipulates that occupational physicians shall each year produce a schedule of activities based on employees' health and health requirements. The Arrêté covers health risks, workplaces and working conditions and specifies the studies to be undertaken and the minimum number and frequency of inspection visits to workplaces.

In the same field, the Arrêté of 29 May 1989 stipulates that occupational physicians in enterprises and establishments with more than 10 employees must compile and keep up-to-date a register listing the occupational hazards in the enterprise and the numbers of employees exposed to such hazards. The register is to be transmitted to the employer, kept at the disposal of the administration, and presented to the works committee for safety, health and working conditions at the same time as the annual report.

With more and more firms beginning to introduce drug tests for employees, the Ministries of Labour and Health asked the Ethics Committee to deliver an opinion on this question. The Committee replied that routine testing must be avoided, that the employee must be given advance warning, that the results must be subject to medical confidentiality, and that steps must be taken, in cooperation with employees, occupational physicians and outside bodies, to decide at which workplaces screening is necessary.

The Decree of 28 August 1989 provides that from 1 January 1990 the production and utilization of preparations containing more than 0.1% by weight respectively of 2-naphthylamine and its salts, 4-aminobiphenyl and its salts, benzidine and its salts, and 4-nitrodiphenyl, shall be authorized exclusively for scientific research, testing or analysis purposes, and for waste elimination. Employers using such products must introduce appropriate means of prevention to avoid exposing workers and must submit a declaration to the labour Inspectorate. The certificate confirming the fitness of employees for such work is renewable every 6 months, and the employer is required to organize practical training for such workers, in collaboration with the works committee for safety, health and working conditions.

The Decree of 7 November 1989 repeals the Decree of 30 December 1948 prohibiting the use of ceruse, lead sulphate and plumbiferous linseed oil in housepainting.

Finally, the Arrêté of 22 November 1989 adds "Refuse collection and treatment" to the list of insalubrious and dirty occupations in respect of which employers must provide showers for workers. This provision, which applies equally to the agricultural sector, comes into force on 1 July 1990.

Ireland

The 1989 Safety, Health and Welfare at Work Act, adopted by Parliament in April 1989, came into force on 1 November 1989 under a Decree issued by the Ministry of Labour. The Act is based on the report of the Barrington Commission of Enquiry on Safety, Health and Welfare at Work (the Barrington Report was published in 1983). It lays down new general responsibilities for all employers, employees and self-employed workers and extends the principle of safety and health protection to all persons employed in the following sectors: agriculture, sylviculture, transport, retailing, hospitals and laboratories, industry and offices.

Responsibility for administering and enforcing safety and health at work now lies with the new National Authority for Occupational Safety and Health, a tripartite body which includes employers' and trade union representatives established under the 1989 Act.

Regulation S.I. No 34 of 1989, which came into force on 1 March, implements Council Directive 83/477/EEC on the protection of workers against the risks arising from exposure to asbestos at work.

Regulation S.I. No 251 of 1989 implementing Council Directive 80/1107/EEC on the protection of workers from the risks related to exposure to chemical, physical and biological agents at work came into force on 5 October 1989.

The Safety, Health and Welfare at Work Act (S.I. No 237) repeals, with effect from 1 November 1989, the section on factories in the 1955 Act and the section on mines and quarries in the 1965 Act.

Italy

On completion of its work, the Parliamentary Commission of Enquiry into Working Conditions submitted to the social and political partners a set of draft regulations on the safety and health protection of workers.

The trade union organizations have submitted their observations concerning these regulations and called for urgent account to be taken of the Community Directives.

Following the agreement of 18 July 1988, the Bilateral Study Committee on the Working Environment and Occupational Health was established in Turin on 18 September. This national committee, which covers the whole of the Fiat group, has been mandated to examine and compare on a point-by-point basis the European legislation, with a view to producing a synopsis of measures planned, parameters adopted, powers assigned to public bodies and levels of responsibility held by employers and workers.

On the basis of its conclusions, the committee arranged a fact-finding tour of certain European automobile manufacturers, to take place in spring 1990.

A second agreement was signed on 1 December, providing for the strengthening of company safety and health services and for the setting-up, in 14 Fiat establishments, of bilateral safety and health committees.

Luxembourg

The 1989 industrial accident statistics are being analysed by the Labour Inspectorate and are not yet available, but it is already known that the incidence of accidents in the steel industry, expressed in terms of the number of accidents resulting in more than three days' absence from work per million hours worked, was 23.1 for the first 9 months of 1989, compared with an average of 31.5 for 1988.

Eighteen Regulations transposing EC Directives into national law have so far been adopted, and a further ten Regulations are currently being drafted. They concern the design of machines and installations, hydraulic excavators and powered industrial trucks.

Netherlands

The Decree of 1938 on safety in factories and on construction sites, adopted pursuant to the Law on Working Conditions, was amended by Decree of 10 August. The new Decree lays down more general requirements for the protection of workers occupationally exposed to substances liable to endanger their safety or health.

The 1938 Decree was also amended by a Decree of 14 July concerning the physical and psychological fitness of operators of mobile cranes and mobile pile-driving units. The legal provisions concerning regular checks on the safety of certain mobile and construction cranes were also amended on 1 August. In addition, with effect from 1 December 1989 operators of such cranes are obliged to produce evidence of their qualifications.

Pursuant to the Community Directives on equal treatment, the 1990 Labour Law (Arbeidswet) was modified by a Law of 12 April, in order to arrange the working hours and rest periods of pregnant employees so as to fit in with their specific requirements.

Following this legislative amendment, the Minister asked the Labour Foundation (Stichting van de Arbeid) to promote the inclusion in collective agreements of a clause giving workers the right to a safe form of transport for travel to or from work at night.

The method is intended to be used for evaluating and re-defining jobs in undertakings and establishments. The Labour Inspectorate may also refer to it in connection with its monitoring activities pursuant to the Law on Working Conditions.

Following consultations between the Ministry of Social Affairs and Employment and the workers' and employers' organizations in the ports sector, the Ports Inspectorate has instituted a programme of systematic inspections of port undertakings, where working conditions still leave something to be desired. The results will be analysed by the parties concerned in 1990.

Portugal

More and more attention is being paid to workers' safety and health and the working environment. The two sides of industry have repeatedly stressed the need for progress in the field of occupational safety and health. The public authorities have also shared this view and adopted three provisions which reflect Community law in this field:

- . Decree-Law No 273/89 of 21 August establishing the system of health protection for workers exposed to vinyl chloride monomer at the workplace;
- . Decree-Law No 274/89 of 21 August establishing health protection measures for workers exposed to lead;
- . Decree-Law No 284/89 of 24 August establishing the health protection scheme for workers exposed to asbestos at the workplace.

An important national programme concerning the safety and health of workers and the working environment was approved on 28 February by the National Council for Health and Safety at Work, an important body which includes employers' and workers' representatives. The programme sets out to define an overall policy, programme it, and oversee its effective implementation.

It contains an exhaustive list of fields of action, objectives, measures to be taken and agencies responsible for proposing and implementing them. It provides not only for a reform of existing legislation (to comply with the international instruments to which Portugal is bound and the obligations arising from Community membership), but also for a whole range of measures, e.g. studies, technical assistance, education, training and statistical monitoring.

United Kingdom

Among the main pieces of legislation drafted in 1989 were the Electricity at Work Regulations, which extend employers' legal obligations concerning electricity to all workplaces and are due to come into force on 1 April 1990.

New framework Regulations for the control of dangerous substances were introduced on 1 October: the COSHH (Control of Substances Hazardous to Health Regulations) is the most important new contribution to safety and health legislation since the adoption of the 1974 Health and Safety at Work Act. An important feature of the new Regulations is the obligation placed on employers to evaluate the health risks created by exposure to hazardous substances and to take the necessary measures to protect workers' health.

Employers must ensure that workers are given proper training and information and, where necessary, must arrange for regular monitoring of their exposure and state of health.

New Regulations on the provision of first aid and basic medical care for persons taken ill or injured during work on offshore installations or pipelines were adopted by Parliament and will come into force on 30 September 1990. They make it incumbent on the person responsible for the work on an offshore installation or pipeline to provide the equipment, installations, medicaments and personnel necessary for first aid and emergency treatment, to ensure that such personnel have an officially recognized training qualification, and to take the necessary measures to enable a physician on land to be contacted.

Among the other legislative texts promulgated in 1989 were regulations on the provision of safety and health information to workers, amendments to the regulations on the transport by road of packaged hazardous substances, regulations on emergency shutoffs for valves in offshore pipelines, and regulations on safety representatives and safety committees for offshore installations.

In its recently adopted work plan for 1989-1990 and beyond, the Government's Health and Safety Commission recognized that the European dimension will be the key element in its future legislative work in the field of safety and health.

Following the amendments to Chapter 6 of the Health and Safety at Work Act introduced by the Consumer Protection Act, the onus for providing safety and health information now lies with the manufacturer, the importer or the supplier.

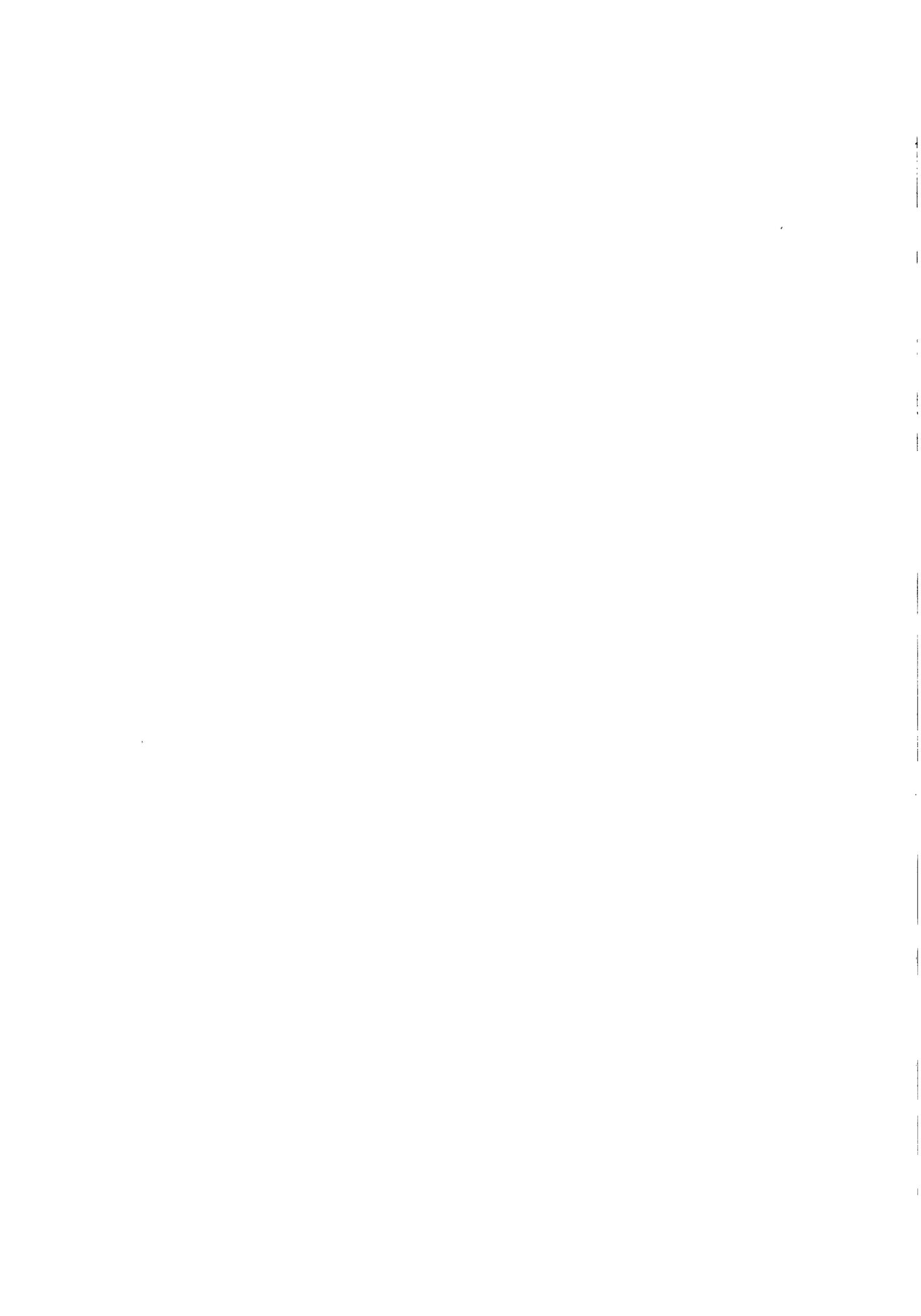
9.3 Additional Information

Janus

As part of its programme of action in the field of health, hygiene and safety at work the Commission has set up a system for the mutual exchange of health and safety information within the Community. The information is disseminated in a quarterly publication, Janus, which contains contributions from experts in the twelve Member States. Janus covers national and Community legislation, training, research and technical developments (chemical products, etc.).

Janus - Instituto Nacional de Seguridad e Higiene en el Trabajo
Centro Nacional de Condiciones de Trabajo
c.Dulcet, s/m - E-08034 Barcelona

C. ANNEX



ANNEX

Joint opinion on basic education and initial, vocational and adult training

Basic education and initial training

1. High-quality education and initial vocational training leading to recognized qualifications are essential and irreplaceable if young people are to be successfully integrated into working and economic life and if they are to continue to develop, notably by means of continuing training.

Broadening the provision of initial training leading to recognized qualifications and adapted to the present and future needs of firms, workers and society in general would provide the opportunity to make considerable improvements to the employment prospects of young people and the efficiency of workers and firms whilst reducing the threat of youth unemployment.

2. The education authorities should be encouraged to take whatever measures may be necessary before the end of compulsory education in order to facilitate the transition from school to working life. Measures should be promoted to give all school leavers completing compulsory full-time education access to initial vocational training of a type which provides genuine qualifications recognized under the qualifications systems of the Member States. Except in cases where the employers and/or other organizations agree to take measures themselves in accordance with national and local rules and practices, these measures should be implemented under the general responsibility of the public authorities, who should take into consideration the views of the social partners at the appropriate level.

The quality of initial vocational training should provide the necessary general basis to enable young people to develop their capacities to take initiative, to learn and to engage in entrepreneurial activity, improve their preparation for technological training, and promote the learning of at least one other Community language in addition to their mother tongue.

The participants emphasize the importance which they attach to apprenticeships and other systems of training, to combined work and training schemes, and to training based on standards leading to recognized qualifications which can help to build new bridges between schools and working life and promote the integration of young people into working life. The provision of training should be improved in terms of both quantity and quality so as to meet the specific requirements of young people and therefore to be attractive to them.

3. Initial vocational training must be accessible to all young people. A positive correlation is to be seen between occupational ability and the success of the firm : occupational ability demands long term preparation. Further efforts should be made to assist unemployed young people and those whose basic training has been inadequate so as to provide them with individually-tailored vocational guidance and help to remotivate them.

Special measures will have to be introduced to :

- help young people who have not been able to acquire at school the qualifications needed to prepare for an occupation or trade;
- enable those young people who have grown up outside their country of origin to acquire the basic training they need to find a job;
- help unemployed young people to enter or re-enter the labour market.

Basic training courses of short duration should lead, in stages, to qualifications recognized by the training systems.

- 3a. Policies promoting equal opportunities for men and women and, in particular, the participation of women in all training schemes, especially those linked to the occupations of the future, should be developed, and specific measures should be devised as regards training for occupations in which women are underrepresented. Special attention should be given to measures facilitating the access of young women to the whole range of available training opportunities.

Both men and women should be encouraged to choose careers that break with the traditional division of tasks.

4. The participants consider that taking into account national practices, the employers, the employees and/or their representative organizations should be consulted in the planning and implementation of education and vocational training policies and programmes. At Community level they already play an important role in this field in accordance with established procedures. They should be associated in measures to promote the recognition and the comparability of qualifications at Community level.
- 4a. The participants consider that in addition to their functions of providing a broad general education and basic training for life in society, all the parties should contribute in such a way that schools take greater account of the realities of working life. Close links between firms and education establishments should be encouraged so as to promote the more effective integration of young people into working life.
- 4b. Special attention should be devoted to the training of teachers and instructors while ensuring that they are trained in sufficient numbers each year and that their training is of a high standard. In the same way, appropriate training apparatus and methods should be developed and the quality of training arrangements should be improved. Increased efforts should be made to encourage teachers and instructors to take part in exchange schemes and practical training, to familiarize teachers with the latest developments put into effect in firms, new technologies, and to develop the theoretical training and teaching skills of instructors in firms.

Vocational training and adult training

5. Vocational training to meet the needs of the firm throughout a person's working life is the shared responsibility of employer and employee.

If this is to be effective, company and individual needs must be clearly identified and planned in training plans or programmes appropriate to the size of the firm and drawn up in the framework of the firm's overall strategy. They should aim to develop the individual, to enhance his skills and assist him or her to adapt to changes in jobs.

In this context, it is essential that account be taken of the needs of workers to improve their skills in line with the requirements of their job or in readiness for changes within the firm and of present and anticipated requirements of the firm.

Vocational training should be encouraged according to the opportunities available and the nature of the needs to be satisfied. This should be achieved by various means : training plans, authorization of leave, adapted programmes, cooperation between organizations, tax inducements and the use of modern communication facilities.

Training courses of short duration should lead, in stages, to broader and additional qualifications.

6. Training programmes are drawn up in response to a variety of initiatives emanating from the individual employee himself, the employers, the workers' representatives, the occupational organizations, the sector, region or State concerned. The responsibility of each of these parties and therefore the corresponding obligations depend on the aim pursued. The training of employees should be taken into account in the development of their career and working life as one of the criteria determining their qualifications and performance. The sectors and sub-sectors have a role to play in the promotion of continuing vocational training.

The planning of public training programmes by the regions or the State should take into account the views of the social partners at the appropriate level so as to avoid duplication of efforts and arrive at the most effective combinations, especially in the context of the integrated training programmes financed by the Structural Funds.

7. Information and consultation of employees and their representatives undertaken by employers in accordance with national laws and practices, on training programmes put into effect by the firm, would help to increase the motivation of the work force by improving their understanding of the changes facing the firm.
8. The participants consider that special attention should be paid to certain problems concerning the occupational integration and retraining of adults, in particular :
 - the least qualified workers;
 - small and medium-sized enterprises;
 - men and women experiencing difficulties in re-entering the labour market;

- migrant workers and their children;
- ethnic minorities;
- disabled people;
- long term unemployed.

9. The participants consider that the social partners should cooperate at the appropriate level in the planning and implementation of national and Community training programmes and reaffirm their support for the existing Community training programmes relating to the occupational integration of young people (ESF - Objective N°4 of the Structural Policy and PETRA), language training (LINGUA), training in new information technologies (EUROTECNET) and cooperation between universities and enterprises in the field of initial and continuing training in the technological sphere (COMETT).

They consider that exchanges of ideas and experience in these fields with the representative employers' and employees' organizations of the EFTA countries have been useful in the past and should be maintained.

10. The participants call on the Community to present, with the help of existing mechanisms, the relevant information needed to determine the costs of training in the Community and practical arrangements in the Member States so that a comparison can be made between the situation in the Community and in other parts of the world.

Furthermore, the Commission should provide the information necessary for examining the terms of access of workers of each Member State to training schemes available in the other Member States.

11. The participants call for every step to be taken to facilitate the broadest possible access to training opportunities. The practical arrangements for such access will have to be specified according to the relevant circumstances.

Continuing vocational training decided on by firms in the light of their needs should be financed by employers. The full cost of this training carried out either within firms or outside should be deductible for tax purposes.

Without prejudice to existing agreements and practices, the arrangements for employees to be granted time off for training purposes should, if the parties consider it appropriate, be the subject of an agreement between the employer and the employee and/or his or her representatives in the framework of national laws and practices.

12. Any employee wishing to follow a course of training of his or her choice which corresponds to a need for self-fulfilment and to his or her own professional career development should be assisted to do so by means of training courses financed by public funds or tax deductions and/or in the framework of arrangements provided for by national legislation.

In this context, the request for leave will be considered in accordance with the laws and practices in the Member States and/or in firms.

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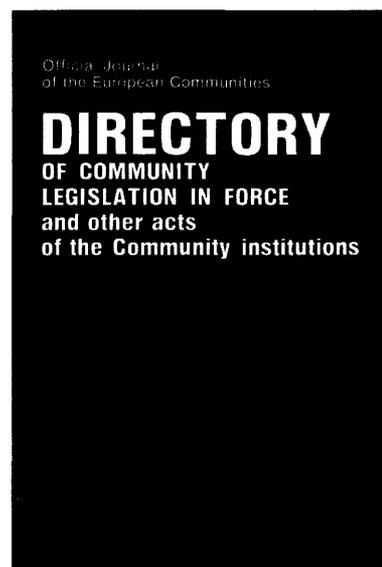
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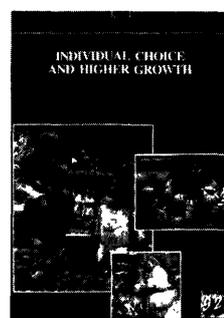
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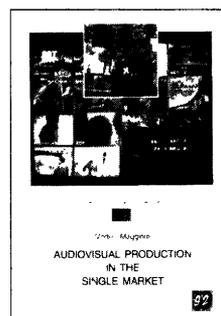


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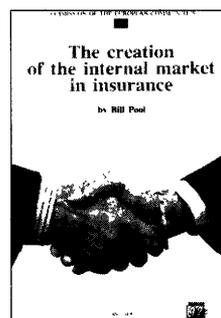


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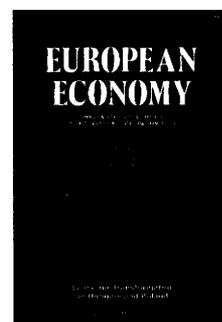


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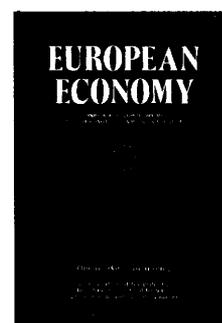
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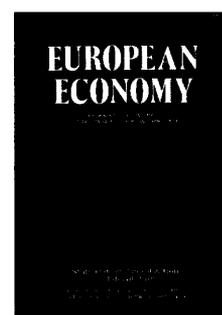
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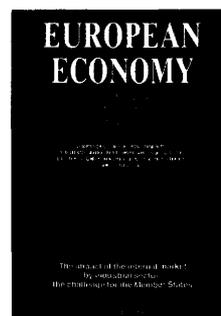
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