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## SPECIAL SUPPLEMENT:

COOPERATION INSIDE THE COMMUNITY ENTERS INTO A MORE REALISTIC PHASE - BY THOMAS NIELSEN PRESIDENT OF THE DANISH TRADE UNION FEDERATION LO

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#### 1. BRUNNER CONSIDERS EUROPEAN UNITY IN EVERYONE'S INTEREST

A united Europe provides security; it promotes social harmony; it guarantees civil liberty. This was stated on February 27, in Bonn, by Mr. Guido Brunner, German Member of the Commission of the European Communities. Mr. Brunner was delivering the lecture on "European Unity - Illusion or Necessity?" to a meeting of members of the German Council of the European Movement.

He proposed the following measures, which would directly benefit the citizens of Europe, and strengthen Community spirit:

- in future the European Parliament should meet three times a year in Brussels. (At present Strasbourg and Luxembourg alternate as meeting-places. The first direct election of European Members of Parliament is planned for 1978).

- the European Community should push through social reforms. As starting points, Mr. Brunner mentioned worker participation in transnational companies (the "European Company") and the alignment of unemployment unsurance.

- introduction of a "European Constitutional Appeal" procedure, whereby a citizen could appeal directly to the European Court of Justice in Luxembourg, in defence of his civil liberties at European level.

Mr. Brunner also indicated that in the six original Member States, per capita income had risen from DM 4 000 to DM 13 000, between 1957 and 1974, which at constant prices and exchange rates represented a real increase of 100 per cent. However, the increase in per capita income in Denmark, the United Kingdom and Ireland, which have been members only since 1973, was on average only half as great.

As regards the United Kingdom's membership of the Community, Mr. Brunner appealed to the common sense of the British: "If the United Kingdom wishes to have a part to play beyond its borders, and to continue to follow its historical destiny, then let it remain as a stabilizing influence within Europe. No one can expect to withdraw from the Community and at the same time reap all the benefits of membership".

## 2. VICE-PRESIDENT HILLERY ON THE ELIMINATION OF DISCRIMINATION AGAINST WOMEN

Patrick Hillery, Vice-President of the European Commission, spoke on the elimination of discrimination against women to an International Women's Year Seminar in Dublin on 1 February 1975. Extracts from his speech follow.

International Women's Year focuses attention on the world's community of women. My rôle at this session is to sharpen the focus on the 130 million women who live in the Nine Member States of the European Economic Community. The Treaty establishing the Community then forces me to narrow that focus further. As Commissioner for Social Affairs, I must concentrate my efforts on the position of women outside the home. This of itself is, of course, a formidable challenge: there are now more than 35 million women working in the Community, over one third of the total work force.

(After analysing the difficulties and prejudices faced by working women at the present time, Dr. Hillery outlined the European Commission's plans for helping women to get a fair deal at work).

The first objective is equal pay for equal work. The Treaty of Rome provided for this as long ago as 1958. At long last the Treaty has been implemented by a Community Directive on this subject. Now I hope to see the Directive on equal pay backed up by another designed to remove the discrimination against women which exists in respect of access to work, vocational training, promotion opportunities, working conditions, and social security cover.

I am glad to be able to tell you that the Commission will shortly decide on the women's programme designed to implement some of the guidelines already adopted by the Council as a Community Social Action Programme. We aim to have our work completed in time to facilitate consultation with the European Parliament and the Economic and Social Committee so that the Social Affairs Council may make decisions on the basis of final proposals before the end of June. While I am therefore not yet in a position to speak about the content of the proposed programme, I am glad to have this opportunity of talking to you about my thinking as to what it should contain.

It seems to me that there should be a basic proposal that all the jobs should be open equally to men and women. We all have our ideas about jobs which we regard as "suitable" for women: nursing, teaching, cooking, serving in shops, and so on. So we find it difficult to conceive of women bus drivers, women engineers, women judges and women bosses of all kinds. If you reflect for a moment you will recognize the instinctive reflexes which these simple ideas produce in yourself.

But why should not women do these jobs if they want to and are good enough? The Community programme should propose that they are allowed to.

If access is to be open, these women must be able to train on equal terms with men. They must not be assigned automatically to Teachers' or Domestic Science Colleges. Why are there so few women in technical training institutions? The programme should be designed to see that all training shall be genuinely open to both men and women.

It is not only getting the job she wants that worries a woman but also standing an equal chance of promotion with her men colleagues. We need proposals to ensure that promotion shall be on merit and without regard to sex or marital or family status.

You will say: that is all very well, but what use is a good job to a woman with a family and no help at home? If opportunities are to be really equal we must, I repeat, ensure that married women at work receive help with their dual job. We must have more day-nurseries; we must enable mothers of young children to interrupt their careers if they so wish without fear of losing their jobs, their pension rights or their chances of promotion. We must allow mothers with older children to work flexible hours or part-time without, again, penalising them for taking their family responsibilities seriously.

How is this to be done? It will not be done overnight, or without effort on the part of all of us. A Community Directive could ensure that Member States deal by legislation with such aspects as lend themselves to legal definition. Given this basis there will still have to be a continuing, sustained effort to change attitudes of employers, of unions, of men, of society at large; even, dare I say it, of women themselves.

The change in climate which International Women's Year is seeking to bring about is therefore of fundamental importance. I believe that the programme to be proposed by the Commission can be a major contribution to this process of change. But no amount of effort in Brussels can take effect if there is apathy in the Member States. The Commission and the countries of the Community are in partnership. Let us make sure this partnership works for the good of women in Ireland and of the Community as a whole.

## 3. FREEDOM OF ESTABLISHMENT FOR DOCTORS IN THE COMMUNITY

The number of doctors is growing all the time in Europe, in line with Europeans' concern to protect and care for their health; there are more than 400 000 doctors today and it is estimated that there will be more than 560 000 by 1977. The Council's decision in principle on freedom of establishment for doctors is therefore a decisive step along the road towards what the Press has termed a "European Health Community".

Community doctors will soon be able to pursue their profession freely in the European country of their choice. Under the Directive proposed by the European Commission and adopted by the Ministers for Health, Governments will have 18 months to put this decision into effect.

More than 15 years have gone by since this problem was first raised; the Commission's dossier in the matter was presented as long ago as 1969. However, there were many reservations from the outset: comparisons between the training and diplomas of doctors proved difficult, since doctors in all countries viewed the qualifications of their colleagues in other countries with suspicion. Observance of the Hippocratic oath was not the only bone of

contention; some people were afraid that too many doctors would move to the most developed regions and failed to see the other side of the coin, that freedom of establishment in Europe would also make it possible for doctors to practise in less well-off and poorer regions.

Up to the last moment it was feared that the Belgian Government would block the Commission's proposal because there are 17,000 doctors and 14,000 medical students in Belgium. By 1977 doctors will represent 3.15% of the Belgian population, that is to say 84% above the Community average.

In the last analysis the European convictions of the Belgian Government prevailed. Two supplementary Decisions should allay the fears of Belgian doctors: under these Decisions two committees are to be set up, a Committee of Senior Public Health Officials and an Advisory Committee on Medical Training.

The main tasks of the Committee of Senior Public Health Officials will be to note and analyse difficulties arising in the implementation of the Directive, and to compile information and deliver opinions on matters coming within the scope of the Directive.

The task of the Advisory Committee on Medical Training will be to help ensure a high and comparable level of training for general practitioners and specialists throughout the Community. To this end it will exchange information and hold consultations on all aspects of doctors' training.

Freedom of establishment and the freedom to provide services for doctors in the Community will undoubtedly set a precedent. Indeed the medical profession can now boast exemplary harmonization of training and professional regulations. This action concerning doctors will set a precedent for equivalence of qualifications and freedom of establishment for other occupations.

## 4. ETUC STATEMENT ON DEMOCRACY IN PORTUGAL

The European Trade Union Confederation has issued the following statement on Portugal:

The ETUC vigorously condemns the attempted coup d'état against the people of Portugal. It rejoices at the failure of this movement and assures the Portuguese people and workers of the solidarity of the 37 million European workers which it represents.

The events of 11 March 1975 accentuate the importance of democratic elections free of any constraint, which are due to take place on 12 April. Through these elections the Portuguese people must express its wishes, and respect for these wishes without reserve will be the historic responsibility of the free elected governments of this country.

The European Trade Union Confederation conveys fraternal greetings to the Portuguese workers and expresses the wish that democratic trade unionism will be in the future one of the basic pillars of democracy in Portugal.

## 5. EUROPEAN TRADE UNION MEETING ON MIGRANT WORKERS

A consultation meeting with the European Trade Union Confederation on migrant workers' problems was organised by the directorate-general for social affairs of the European Commission, together with the trade union information division, on 6 and 7 March 1975 at Santa Margarita, Italy.

The discussion was introduced by Erik Hauerslev, director in the social affairs DG. He informed the participants of the progress of the action programme for migrant workers in the Council of Ministers and the plans of the Commission for putting the programme into practice.

The representatives of the unions recalled that they had been favourable to the programme proposed by the Commission; the real problem was to proceed rapidly to the

execution of the programme. Moreover any policy towards migrant workers should come into the framework of an employment policy at European level.

In regard to the Commission proposals, priorities should be established, since certain problems were very urgent, in particular the question of clandestine migrant workers. Their situation should be regularised, taking into account the necessity to penalise employers who employ migrant workers without authorisation.

It was also essential to make an inventory of bilateral agreements concluded between Community countries and countries of emigration so as to harmonise negotiation positions; the objective should be equality of treatment between migrant and local workers.

In conclusion, the ETUC representatives decided to create a working group which will follow migrant workers' problems at Community level.

## 6. ETUC MEETING ON THE LAW ON GROUPS OF COMPANIES

EEC directorate-general XI (Internal Market) in cooperation with the trade union information division, organised a consultation meeting with the European Trade Union Confederation at Santa Margarita, Italy on 4 and 5 March 1975. The discussions concerned company law for groups of companies and the draft European company statute.

The representative of the Commission, Karl Gleichmann, introduced the subject of company law for groups of companies and in particular the first part of a planned directive for harmonisation of the law concerning groups of companies. A discussion took place on the need for such law, the relationships between companies inside their group and the division of tasks between the works council in a dominating firm and that in a subordinate firm.

In an exchange of views among the affiliates, certain participants considered legislative action as low priority work to be undertaken by legal specialists; the essential task was to undertake common trade union action, as a beginning the establishment of information structures so as to be aware of the action and strategy of brother trade unions, as well as the timing of future activities. Others felt that the institutionalisation of the workers rights should be given first priority, before the basis for common action was considered.

Another debate took place on the proposals of the ETUC secretariat to have a big ETUC meeting with representatives of workers from a number of multinational companies situated in the EEC and in EFTA territory; such a meeting should take into account the views and strategy of the international trade secretariats.

In regard to the European company statute, Fernand Braun, director-general of DG XI, reviewed the position of the Commission on this following the opinion of the European Parliament adopted in June 1974, as well as the Commission Green Paper on workers' participation proposals. The ETUC position was set out in June 1974; this already took into account the amendments proposed by the European Parliament, and according to ETUC representatives nothing had happened to make modification of that position necessary.

## 7. TRADE UNIONS AND COMMON TRANSPORT POLICY

The Transport Trade Union Committee in the Community (International Transportworkers' Federation) has published a progress report "Trade Unions and common transport policy 1958-1974". It covers the activities of the Committee while its membership was drawn from the original six countries of the Community.

The report shows the organisation of the Committee and its relationship with the Commission on overal problems (Council of Ministers, Commission and Economic and Social Committee), on problems of the transport industry (Transport Consultative Committee) and on social questions in transport (Joint Advisory Committees on Social Questions in Road Transport, Inland Navigation, Rail Transport and Fisheries). Statements on a wide range of transport questions are included, and this synthesis of them will be very valuable for future policy-making by the European transport workers' unions as well as for all others concerned with EEC common transport policy. If the achievements of the common transport policy have been limited so far, this is not for want of constructive suggestions by the trade union side. At one stage (1971) the unions were driven to say that "it would be impossible to force a rigid, uniform transport policy on all the countries involved. Instead, the Commission should adopt a progmatic, flexible approach and look for solutions adapted to the prevailing circumstances."

In an introduction to the report Philipp Seibert, President of the German Railwaymen's Union and President of the European Committee, looks to the future:

Up to now the transport workers' trade unions have co-ordinated their policies through the "Transport Trade Union Committee in the Community (ITF)", sometimes known as the "Brussels Committee". This Committee, composed of the national transport workers' trade unions of the Community, will have to continue operating in its present form until such time as the alignment, or "harmonisation", of social, economic and, if necessary, technical conditions has reached a sufficiently advanced stage to justify the setting up of a "European Transport Workers' Union", a stage that will hardly be reached before the process of economic integration has been completed. There is an obvious parallel here with the North American "International" Unions which came into being following the far-reaching integration of the business interests operating in Canada and the United States. The need for a strong European transport workers' union will become increasingly pressing as it becomes necessary to defend and promote the interests of transport workers, and, indirectly, those of the entire working population, in the face of the one-sided aims of big business operating on a European scale, particularly attempts by manufacturing industry to manipulate rates and conditions of carriage for the sole purpose of maximizing profits at the expense of those employed in transport. The future course of the transport industry in Europe should not be dictated by the interests of a handful of large-scale corporations but should be directed towards the more democratic objective of bringing about a material improvement in the quality of life of all the people of Europe.

## 8. EUROPEAN INFORMATION MEETING ON SARDINIAN DEVELOPMENT

In collaboration with the Italian federation of chemical workers (national centre CISL), the trade union information division of the European Commission organised an information meeting on European problems at Sassari on 20 February 1975, for local trade union leaders of Sardinia.

A major part of the discussions were devoted to the perspectives for regional development which could arise from coordinated action by the different financial assistance instruments at the disposal of the Community: regional fund, agricultural development fund (FEOGA), European social fund, European Investment Bank.

Stress was laid on the efforts made by the unions to move the process of industrialisation of Sardinia away from development of basic industries. However, movement in a new direction like encouraging manufacturing industry, the expansion of small and medium-size firms, etc., encounters various obstacles.

The trade union organisations hope that the obligation to present to Brussels overall regional development plans in order to benefit from European Funds, will facilitate a control of the relationship between proclaimed objectives and those actually followed.

## 9. WAGE LAW IN DENMARK

Faced with an imminent labour conflict covering about 300,000 wage-earners in the private sector the newly elected Social-Democratic government decided to intervene and managed to make Parliament adopt on March 10 an overall solution of incomes policy, including enactment of the draft compromise between the labour market parties, submitted one week earlier by the offical Conciliator but rejected by both the employers' federation DA and the trade union body LO. The draft compromise implies a total wage increase of 1.9% for the coming 2 years period, excluding indexation of wages. Notices of strikes and lock-outs

had been served to such an extent that the whole of Denmark's economic life would have been paralysed in the course of a few days if they had become effective. The government and a majority in Parliament therefore considered it necessary to intervene without delay.

#### Only few protests

Because of the employment situation wich continues to be grave with about 140,000 unemployed (or more than 12%), the intervention by Parliament in collective bargaining did not arouse vigorous protests in wage-earners' circles. Thus a demonstration - mainly Communist inspired - in front of the Parliament building did not attract more than 2,000 to 3,000 participants, and the principal wage-earners' organisations, including LO, have largely approved government intervention in the prevailing situation. The decisive reason for the break-down of negotiations was the entirely unresponsive attitude of the employers, as they refused any wage improvements at all in the 2 years period ahead and amanded abolition, wholly or partly, of the present fully automatic cost-of-living adjustment of wages (indexation).

On the part of the trade union movement there was satisfaction that the overall solution of the government included intervention also as regards other income groups and equalisation as between the private and the public sector with regard to indexation of wages and salaries.

#### The 12 points of the overall solution

- 1. The collective agreements will be prolonged for a period of 2 years with the modifications contained in the draft compromise submitted by the official conciliator and with the modifications otherwise agreed upon between the labour market parties.
- 2. All other collective agreements will equally be prolonged for a period of 2 years.
- 3. The increase in the compensation for reduction of hours of work of 0.35 Dkr. which had been agreed will be carried through with retrospective application as from March 1, 1975.
- 4. Apart from that there will be no general wage increases during the first year of the agreement.
- 5. During the second year of the agreement the rates of standard and minimum wages will be increased by 0.40 Dkr. per hour as from March 1 and September 1, 1976.
- 6. As from January 1, 1976 employers' contributions to the Educational Fund will be increased from 0.01 Dkr. to 0.03 Dkr. per hour.
- 7. The indexation of wages will be modified in such a way that the cost-of-living index is fixed at 100. The two points left over from the last cost-of-living adjustment of wages, which will thereby lapse, will be compensated for by an increase in wages of 0.30 Dkr. per hour as from September 1, 1975.
- 8. Each "portion" of cost-of-living supplement in the domain covered by LO will be increased from 0.40 Dkr. per hour to 0.60 Dkr. per hour.
- 9. The same arrangement will apply to all other domains where cost-of-living adjustment is today made in percentages, so that in the future all wage and salary earners will be paid the same amount in compensation for increases in cost-of-living, i.e. 0.60 Dkr. per hour.
- 10. As far as pensions are concerned there will be no changes. The percentage cost-of-living adjustment will be maintained, but they will be affected by the fact that the index is fixed at 100. On the other hand there will be no general increases in pensions in 1975. As from 1 October 1975, pension supplements will, however, be increased by 600 Dkr. per couple and by 396 Dkr. per single pensioner in compensation for fixing the index at 100.
- 11. Pensions will also be increased in 1976 as a consequence of the increases in hourly wages which will become effective on the labour markat. In addition, taxation will probably be abandoned as far as pensions are concerned.
- 12. Measures will be taken against profits in commerce, trade and industry. There will be no increases in profits in relation to what applied at the time of adoption of this

overall solution. A limit will be set to the size of the interest differential of banks and savings banks, i.e. the difference existing between the interest on deposits and the interests on loans, and which may be said to correspond to the gross profit of other sectors of the economic life. According to the proposal the interest differential should not exceed the average of the interest differential of the individual bank or savings bank for the years of 1972, 1973 and 1974.

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#### SPECIAL SUPPLEMENT:

# COOPERATION INSIDE THE COMMUNITY ENTERS INTO A MORE REALISTIC PHASE - BY THOMAS NIELSEN, PRESIDENT OF THE DANISH TRADE UNION FEDERATION LO

Such cooperation can become very constructive if solidarity among the nine countries in attacking serious problems passes the test, according to Thomas Nielsen.

Since enlargement of the European Communities in January 1973, Thomas Nielsen, President of the Danish national trade union federation LO, which has almost one million members, has been playing an active part in the work of the European Community. He is a member of the Economic and Social Committee and the Standing Committee on Employment, as well as Vice-President of the European Trade Union Confederation. In these functions, Thomas Nielsen has, over  $2\frac{1}{2}$  years of Community membership, been able to follow closely the evolution of the European Community and to realise the advantages and disadvantages of the European Community for Danish workers.

## How have things gone?

#### Thomas Nielsen states:

As far as I can see, the first years of membership have confirmed that what Danish workers wanted from the EEC corresponds to the real possibilities of the EEC.

After a period when Community work was directed towards supranational goals, we have arrived at a more realistic phase, which can be very constructive if everybody will concentrate on the promising perspectives arising from a greater free trade area. In this respect we must realise that the grave new problems of inflation, the oil crisis and unemployment in several member countries call for common solutions and greater solidarity.

#### Great benefits

It must be emphasized that membership of the European Community has already brought great benefits to the Danish people and to Danish workers, following a sharp rise in earnings from exports both in the agricultural and industrial sectors.

The present employment crisis in Denmark would have reached much greater proportions if we had been outside the European Community.

Moreover, our membership has given access to a series of support measures provided from Community funds, aimed at combatting unemployment in certain sectors and certain regions in Denmark.

Large sums have already been granted for retraining and further training of workers, for the expansion of Danish firms and for the modernisation of industrial structures for example the agricultural processing sector.

To that must be added the favourable loan conditions granted by the European Investment Bank; Danish firms are benefitting from these and in several cases in the last two years new jobs or better jobs have been created for our members.

May I also stress that Denmark's participation in the monetary cooperation inside the Community has moderated our price rises by at least five per cent and that this cooperation has enabled us to maintain lower agricultural prices than in countries outside the EEC.

## Influence of the trade union movement

An important question for the trade union movement in Denmark and in the other new member countries is naturally: How big is the influence of trade union organisations on developments in the European Community? In general I can say that in our experience the trade union movement can exercise an important influence on the policies of the European Community, if we understand how to grasp our opportunities and use the appropriate channels.

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As spokesman for the labour force of some 100 million in the Community, the trade union movement of the nine countries must participate actively in EEC policy-making and influence the decisions in the EEC institutions in favour of the workers of our countries. That can be done in collaboration with our national governments and collectively we can act through our European trade union movement.

In the coming years many difficult problems will have to be solved. Increased solidarity within our own ranks will be an obvious necessity for the attainment of positive solutions in the interest of workers.

(During the next few months we shall be presenting the views of top European trade union leaders on the European Community. They will be speaking for themselves and their unions, and their views will therefore be independent of those of the Community).