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CONTENTS

1. Effects of Energy Situation on Employment
2. Building of Social Housing
3. Constitution of a European Federation of Building and Woodworkers in the Community
4. Luxemburg Federation Requests Voting Right for Foreign Workers
5. Turkish Trade Union Confederation Turk-Is
6. The European Trade Union Confederation and Portugal
7. EURO-FIET Committee meets in Brussels
8. Conference of the European Organisation of the International Federation of the Staffs of the Public Services
9. Towards the Creation of a European Joint Committee for the Sugar Industry
10. Workers in the European Aero-Nautical & Aero-Spacial industry seek job security
11. Meeting of European Managerial Grades

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## 1. EFFECTS OF ENERGY SITUATION ON EMPLOYMENT

The Commission has presented a report on the effects of the energy situation on employment in the Communities. This report concerns mainly problems which will arise within the next two years. In regard to the long term situation, the report concludes that the structure of employment rather than the level of employment will be most affected by the changes arising from rises in oil prices. The most obvious structural changes will occur in the sectors using oil as a source of energy or heating or using oil as material for finished products such as synthetic textiles, or again where oil provides the fuel for the end product, such as in the car industry. Here higher costs push up prices and reduce demand for the product which in turn reduces the demand for labour.

On the positive side, new employment opportunities will develop as demand for products and processes using alternative fuels or raw materials will expand. Higher oil prices make the exploitation of alternative energy sources within the Community more attractive and increased demand for investment goods such as nuclear plants and natural gas pipelines are already emerging.

### Initial Impact

The first assessment by the Commission of the effect on employment of the energy crisis made in January foresaw a reduction of the growth rate of the Community's GNP by some  $1\frac{1}{2}\%$ . On this basis the decrease in the volume of employment was estimated at about 0.7%. The Commission now believes that the increase in overall unemployment rates might be contained to say, 0.3% or 0.4% as some of the reduction in employment takes the form of reduced hours of work.

As regards the short-term employment outlook, it is possible to distinguish two groups of countries:

- In Germany and the Benelux countries the impact of the energy situation seems to be rather limited as balance of payments prospects allow them to absorb the oil price increases without substantial difficulties in the field of employment.
- There is more concern in Italy, the United Kingdom and Ireland where the difficulties resulting from the energy situation will be compounded - in different ways for each country - by the initial rates of inflation and the balance of payments situations. France and Denmark face similar preoccupations, but to a lesser extent.

### Major Objectives

Both the short-term and long-term considerations indicate the need for joint action to mitigate the possible adverse effects of the energy situation on the employment situation. The report suggests that policies to protect and promote employment should have three major objectives: 1) the avoidance of self-defeating policies on trade and competition; 2) the spreading of the burden of any adverse employment repercussions of the energy situation and 3) the preparation of a new pattern of employment.

The report points out that four groups in particular may suffer as a result of the energy situation. Firstly, school-leavers may have greater difficulty in finding their first jobs. Secondly, migrant workers are

usually employed in unskilled jobs with little security of tenure. Thirdly, older workers if they lose their jobs may spend long periods unemployed before finding alternative work. Fourthly, prospects of developing job opportunities for women may suffer a setback. The overriding policy regarding all these vulnerable groups must be to ensure that they do not bear an unfair share of the burdens of re-adjustment and the report makes a number of suggestions on how this aim could be achieved.

### Community's role

The report says that the Community has a substantial role to play in support of the efforts undertaken by governments, industry and trade unions to deal with the employment repercussions of the energy situation. Many of the areas covered by the Community's social action programme are relevant in this connection but while this programme is being implemented, the following areas are of particular importance:

- Monitoring and forecasting of employment trends. Exchanges of information and views between national experts will be accelerated and the monitoring of sectoral developments will receive special priority.
- Vocational Training. The Commission considers that the common policy for vocational training should concentrate on such practical measures as assessment of training schemes and training needs especially in the weaker regions of the Community. The report also recommends increases in qualified staff, exchanges of experience in basic training and joint development work on teaching methods particularly in sectors where new skills are needed.
- Migrant workers and free movement of labour. The Commission is checking the application of Regulation 1612/68 where it lays down that dismissed intra-Community migrant workers have the right to stay in the host country and receive unemployment and social benefits until they find a new job. Improvement in the national and Community-wide systems for the placement of labour will also be promoted.
- Social Fund. The resources of the new European Social Fund are available to help in the development of such policies and the fund can deal with demands specifically resulting from the energy situation. The Commission feels that some priority should also be given in the allocation of the Fund's resources to those regions most affected by the energy situation.

### Annexes

Three annexes set out: 1) the effects on employment in the different member states, 2) the effects of the energy situation on industrial production, and 3) recent statistics on primary energy consumption in the member states.

### 2. BUILDING OF SOCIAL HOUSING

Within the framework of the second part of the seventh programme of financial aid by the European Coal and Steel Community for the building of social housing for workers in the German steel industry, the Commission decided on 30 April 1974 to grant to the Bank für Gemeinwirtschaft the

following loan:

Amount :	DM 11.895.000,- (approx. £ 1,982,500.-)
Rate of interest :	1% per annum
Approximate duration	28 years

### 3. CONSTITUTION OF A EUROPEAN FEDERATION OF BUILDING AND WOODWORKERS IN THE COMMUNITY

At a meeting in Salerno (Italy) on 4 and 5 May 1974 trade unions forming a joint committee of building and woodworkers in a Community adopted unanimously with one abstention a new constitution creating the European Federation of Building and Woodworkers in the Community.

All trade unions in the two industries concerned in member states of the Community will be able to affiliate to this new federation on condition that they belong to a national trade union confederation represented in the European Trade Union Confederation. The European Federation will decide on the policy of building and woodworkers in regard to the economic and social problems with which they are confronted in the EEC, both generally and in their own industrial sectors.

The federation will set up separate committees for building and for wood. The provisional headquarters of this new trade union federation is in Brussels - 26-28 rue Haute, 1000 Bruxelles - and the administrative secretary is J. FERNANDEZ.

### 4. LUXEMBURG FEDERATION REQUESTS VOTING RIGHT FOR FOREIGN WORKERS

Emphasising once more the solidarity of workers in all countries, the Luxemburg trade union federation (LAV) has affirmed its will to combat discrimination against foreign workers and has called for them to be given the right to vote in elections for the chambers of labour. The object of the central chamber of labour and the specialised industrial chambers is to promote the interests of all workers and to prepare proposals for reform in cooperation with workers' organisations. These proposals are aimed at bringing about more equitable social policies, democratising the economy and creating better conditions of work and housing. The last two aspirations are of particular interest to foreign workers resident in Luxembourg and it is therefore important to give equal rights to them so that they can help find solutions to problems of concern to them.

### 5. TURKISH TRADE UNION CONFEDERATION TURK-IS

The Turkish trade union confederation Turk-Is affiliated to the IOFTU has just elected Halil Tunc, former general secretary, as president of the organisation. He succeeds S. Demirsoy, who died recently. The executive committee of Turk-Is has received prime minister Ecevit at its headquarters. H. Tunc and his committee emphasised the need for a fairer distribution of national income. They emphasised the necessity to establish more advanced and more democratic social legislation. The Turkish trade union movement is currently preparing draft laws on these matters.

In spite of difficult social conditions, the Turkish trade unions have achieved important successes such as the institutionalisation of collective

agreements in industry and a system of social security financed exclusively by contributions of workers and employers. These funds are administered by the institute of social insurance, an autonomous organisation under the direction of the ministry of labour.

#### 6. THE EUROPEAN TRADE UNION CONFEDERATION AND PORTUGAL

After hearing reports by various representatives of affiliated organisations on their visit to Portugal, the executive committee of the European Trade Union Confederation, meeting in Brussels on 9 May, welcomed the restoration of freedom and democracy in Portugal.

The ETUC will support all efforts to provide firm foundations for this development.

The ETUC Executive Committee firmly expects the new government to end the colonial system in the overseas territories and to guarantee trade union rights in Portugal.

The ETUC will assist the creation of a united democratic trade union movement in Portugal. The ETUC hopes that this Portuguese trade union movement will join the ranks of European trade unionism.

The ETUC Executive Committee has invited a delegation from the Portuguese trade union movement to attend its congress which will be held from 23 -25 May 1974 in Copenhagen.

#### 7. EURO-FIET COMMITTEE MEETS IN BRUSSELS

The European regional organisation of the international federation of commercial, clerical and technical employees (Euro-Fiet) is one of the industrial committees associated with the European Trade Union Confederation. This organisation has four specialised sections: commerce, banking, insurance and office employees in industry. There is also a youth committee.

The headquarters is in Geneva and the General Secretary is Heribert MAIER. The secretariat for the European Communities is in Brussels - 10 rue de Tournai - and is run by Mirval T'KINDT. During a recent meeting in Brussels the Committee examined problems relating to possible joint committees at the Community level in the sectors of banking and insurance. After hearing a talk on the functioning of joint committees in other sectors, the participants discussed the possible objectives of such a committee and obstacles to their creation. The conclusions of this meeting will be submitted to the section conferences on banking and insurance of EURO-FIET, which will be held in Zürich on 28 and 29 May 1974 (insurance) and 30 and 31 May 1974 (banking).

#### 8. CONFERENCE OF THE EUROPEAN ORGANISATION OF THE INTERNATIONAL FEDERATION OF THE STAFFS OF THE PUBLIC SERVICES

The EUROFEDOP, the European organisation of the International Federation of Staffs of the Public Services (World Confederation of Labour) held its central council meeting in the Hague from 22 to 24 April 1974. The deliberations concerned mainly action to be taken with the European Community so that workers in the public services are not considered as marginal elements in the construction of Europe. For two years EUROFEDOP has been trying to achieve an active role.

for its industrial councils (PTT, Finance, Customs, Health, Local and Regional Authorities) within the European bodies and has been working for the creation of joint committees for the public sector. So as to fix the basis for such committees, EUROFEDOP has undertaken within the Community countries several comparative studies of working conditions concerning staffs in post and telecommunications, local and regional authorities, state administrations and financial services (Inland Revenue, Customs). According to EUROFEDOP, these studies demonstrate a will to contribute to the preparation of a normative work at the level of the Commission, in parallel with similar work undertaken at the Council of Europe and the International Labour Organisation. EUROFEDOP considers that the guide lines of the social programme established by the Commission should be applicable without restrictions to all wage earners whatever might be their sector of activity or the legal character of their status. Working time, holidays, vocational training, re-training of handicapped persons, trade union law and even security of employment for temporary public servants - all these problems interest staffs whose working conditions depend directly or indirectly on the state as an employer.

The organs of EUROFEDOP have decided to intensify their European actions. Greater trade union information and a more active presence at Community level are required. The decisions of The Hague confirming those of its congress in Turin in 1972 have laid the foundations for closer collaboration with the Community and are valid at a time when there are new chances of united and effective European trade union action.

#### 9. TOWARDS THE CREATION OF A EUROPEAN JOINT COMMITTEE FOR THE SUGAR INDUSTRY

The Directorate-General for Social Affairs of the Commission called a meeting of representatives of employers and workers in the sugar industry on 22 April 1974 in Brussels. Representatives were present from all nine member countries.

During the internal union meeting held in the morning the participants heard a talk by a delegation of shop stewards of the British company Tate and Lyle. The Trade Union Group decided to intervene on behalf of its British friends at the Council of Ministers of the EEC so as to see that when working out the common sugar policy for the future, transitional measures be taken which will maintain the 11.000 jobs in the British sugar industry depending on sugar-cane.

During the discussion with the representatives of the employers it was decided to bring up to date the 1971 common study on the work hours and social legislation for rationalization or closure in the sugar industry. Finally, a discussion within an ad hoc jointly composed committee will take place with the EEC Directorate General for Social Affairs.

In connection herewith the trade unions were asked to set up a joint committee for the sugar industry sector. But employers were not in a position to take a definitive decision at the time of the meeting. The representatives of the EEC Commission suggested that the talks on this matter be continued

## 10. WORKERS IN THE EUROPEAN AERO-NAUTICAL AND AERO-SPACIAL INDUSTRY SEEK JOB SECURITY

At a meeting in Bristol on 9 and 10 May 1974 called by the European Metalworkers' Federation (5 Million members) 30 delegates coming from France, Great Britain, Germany, and the Netherlands once more affirmed their intention to safeguard workers in the aero-nautical and aero-spacial industry threatened by any abandonment of the air-bus/Concorde project. European metalworkers' unions call on governments and the industries concerned to develop a civil aero-nautical policy capable of bringing about transfers from employment in the military field to civil work. In the framework of the European Metalworkers' Federation the delegates decided to coordinate their action more closely and to continue their efforts to get indispensable discussions going amongst metalworkers' trade unions, industry leaders, governments and the European Commission.

The meeting decided to take measures to inform workers in the industry fully about the situation and to examine the practical steps to be taken.

## 11. MEETING OF EUROPEAN MANAGERIAL GRADES

Sixty leaders of managerial grades' unions belonging to national confederations affiliated to the World Confederation of Labour met in Brussels on 2 and 3 May 1974. The meeting expressed the view that the birth and enlargement of the European Trade Union Confederation was an important event which would make possible greater coordination of trade union action in the face of international capitalism and the development of multi-national companies. It would enable greater action to take place in regard to the crisis in European integration, which was itself a reflection of a crisis affecting our society. The meeting discussed three subjects 1) conquering the situation of lack of information so as to allow workers to keep a proper watch on the activities of their firms; 2) building a social structure where everyone is accepted in his right place by working for the reduction of inequalities, as well as 3) changing methods of work organisation.

According to the participants at the meeting managerial grades are confronted with two important questions. Firstly, professional "success" implies an ever greater dependence on the technocratic structures which control large industrial organisations. It is necessary to invest everything in one's work, devote all one's time to it, espouse the ideological system on which the competitive market economy is based. Where is the freedom of action of managerial grades? Moreover, after thirty years of growth which were supposed to provide the solutions for all problems, the distance is growing greater between the advanced industrial countries and the third world, inequalities within the industrial nations have not grown less, the power to influence the economy is more and more eluding the states to the benefit of the multi-national companies.

Secondly, all so-called "scientific" work organisations, which assumed a radical division between a minority conceiving, organising and deciding and a majority carrying out orders, has been brought into question in a fundamental way. Managerial grades do not have the vocation either to be a police force safeguarding production, or to be psychological motivators of the personnel or still less to be the sergeant majors of the factory. It is necessary to establish the basis for a change in social relations in work, through the preparation of production structures where each person brings his own specific competence.