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CONTENTS:

1. European Commission Vice-President addresses British Miners' Union
2. Social Fund aid for retraining workers
3. First European conference of commerce and distribution workers
4. Eurofiet conference on women's problems
5. British TUC approves social contract

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1. EUROPEAN COMMISSION VICE-PRESIDENT ADDRESSES BRITISH MINERS' UNION

Henri Simonet outlined Commission proposals on energy to the Executive of the British National Union of Miners in London on 12 September 1974 in London. He stressed that it is part of the basic policy of the European Commission fully to discuss proposals with the interested parties in the Community, including of course the main trade unions involved. (Meetings to discuss Commission proposals with unions normally take place with the European Trade Union Confederation or the appropriate European trade union committee.)

He offered a high and stable target for British coal integrated into an overall Community energy policy :

Those of you gentlemen, who have read both your own government's Interim Report on the Coal Industry published in June of this year and the European Commission's Guidelines for Coal to 1985 will probably have been as struck as I was by the similarity in the outlook and conclusions of the two documents. Both documents are thoroughly forward-looking, both press for the maximum use of coal in power stations and both call for a halt to the contraction of the coal industry and for the maintenance of current levels of production.

However, I must draw your attention to the fact that maintenance of current levels of production means something slightly different in a European than in a purely British context. Looking at the European Community as a whole, we must accept that for a variety of reasons, the coal industries of some member countries will contract further. To maintain total Community production therefore means an increase in the output of those member countries capable of achieving this with your country very much in the forefront.

Perhaps we in Brussels are too optimistic in thinking that Britain's coal output could reach something not far short of 150 million tons a year by 1985 and that this tonnage can be produced at competitive costs. However I and my officials believe that to achieve worthwhile goals we must have faith in the future, but I would welcome your views on this subject.

Mr Simonet printed out that an assured outlet for British coal was dependent on Community policy of obtaining electricity requirements from coal-fired power stations:

Next, let me say a few words about the biggest single market for British coal, that of electricity generation. The European Commission is quite specific in its recommendation that no further oil or gas-fired power stations should be built and that where nuclear power is excluded for one reason or another, electricity requirements should be met from coal-fired power stations. This policy applies as much to non-coal producing member countries as to those with a coal industry of their own.

I have mentioned earlier that to maintain Community coal production at around its present level must involve an increase in British output. This increase slots in with the European

Commission's policy on power stations and would largely be absorbed by coal-fired power stations located on the coasts of other Community countries.

Britain has the most modern facilities in the Community for the shipment of coal by sea, notably at Immingham. Provided your industry can produce the coal at competitive prices and in assured and regular quantities, the European Commission's policy offers excellent prospects for a big expansion of exports of British power station coal to other member countries of the Community.

Mr Simonet summarised the advantages to the British coal industry of the European Commission's energy proposals as follows :

- by aiming at maintenance of the current level of total coal production for the whole Community, the European Commission's production target for the British coal industry is at least, if not more, ambitious than your own government's Interim Report.
- by putting the production target into a European Community context it will be less affected than it might otherwise be by governmental changes.
- by promoting the use of coal, and particularly Community coal, in power stations throughout the Community, the European Commission is providing openings for British coal in a wider market.
- by providing aids for stock-piling coal anywhere in the Community, the Commission's policy goes beyond what is provided by your own government.
- in the field of manpower policy, the European Community offers financial assistance in a variety of directions.
- the Commission will seek to establish an orderly policy for the whole European Community in regard to coal imports from non-member countries. Likewise, Community rules do not permit the artificially low pricing of alternative fuels to the detriment of Community coal.
- the Community is in a position to provide financial assistance for investment in the coal industry and in coal using industries.
- the Community has substantial funds for research in the fields of coal production, of health and conditions of work, in coal preparation and in coal utilisation.

2. SOCIAL FUND AID FOR RETRAINING WORKERS

The Commission has approved in principle a second series of applications for assistance from the European Social Fund in 1974 for retraining workers in various Member States following the opinion given by the Social Fund Committee at its meeting of 18 June 1974.

The total amount of aid involved is approximately 77.7 million units of account (2.4 units of account = £ 1) including commitments for 1975 and 1976. Of this amount 7.1 million u.a. is for claims submitted under Article 5.

Under Article 4, the Social Fund can help retrain workers whose employment is affected by the implementation of Community policies, e.g. workers who are leaving agriculture, who are acquiring new skills in textiles, who are moving from one Community country to another, or who are handicapped. Under Article 5 the Social Fund can intervene to help remedy an unsatisfactory employment situation especially in declining regions and in industries affected by new techniques. The Fund can also help to retrain special categories such as older workers, women over 35 and young workers.

The following table gives some details of the allocation of the aid from the Social Fund concerning this second series of claims for 1974. Other claims for 1974 have been submitted, some of which have already been approved and the remainder will be decided upon at a later date after further meetings of the Social Fund Committee. The figures given are approximate and may be adjusted slightly later when the Commission gives individual approval to each application.

Article 4 Assistance (in millions of units of account)

	<u>Number of workers</u>	<u>1974</u>	<u>1975</u>	<u>1976</u>
Germany	2,900	2.8	-	-
France	5,084	1.0	-	-
Ireland	3,621	1.3	2.0	-
	<u>11,605</u>	<u>5.1</u>	<u>2.0</u>	

Article 5 Assistance (in millions of units of account)

Belgium	9,840	2.6	2.9	-
Germany	2,268	1.4	0.4	0.09
Denmark	2,615	1.5	-	-
France	15,231	11.2	0.02	-
Ireland	2,823	0.9	0.4	0.07
Italy	15,029	10.1	4.4	1.3
Netherlands	2,730	2.5	-	-
United Kingdom	19,765	18.8	12.0	-
	<u>70,301</u>	<u>49.0</u>	<u>20.12</u>	<u>1.46</u>
Totals Article 4 and Article 5	81,906	54.1	22.12	1.46
	=====	=====	=====	=====

Assistance granted under the first series of demands approved by the Commission early in July totalled 62.6 million units of account including commitments for 1975 and 1976. Of this amount 32.1 million u.a. was for claims submitted under Article 4 and 30.5 million u.a. for claims submitted under Article 5.

3. FIRST EUROPEAN CONFERENCE OF COMMERCE AND DISTRIBUTION WORKERS

EURO-FIET, the European Regional Organisation of the International Federation of Commercial, Clerical and Technical Employees (FIET) organised a first European conference of European Commercial and Distributive Workers in Brussels on 10 and 11 September 1974. The conference which was attended by over one hundred delegates studied the specific problems affecting the workers in this field: opening hours of shops, flexible working hours, part time work, harmonising the national legislations governing the work of commercial travellers, fire prevention in shop premises, and setting up of multinational works councils. The conference decided to elect a European committee of commercial workers. The most discussed subject of this first conference was that of shop opening hours. The delegates affirmed that while the public must continue to have satisfactory service, total sales depend on the public's purchasing power and not on the length of shopping hours. They recalled that shop workers like all workers have a right to decent working conditions including a normal family life.

4. EUROFIET CONFERENCE ON WOMEN'S PROBLEMS

The Trade Union Division of the Commission organised together with the secretariat of Eurofiet (International Federation of Commercial, Clerical and Technical Employees) a two-day European seminar on employment of women and on women's problems in the Community. This meeting, which was attended by delegations from all countries of Community, took place in Luxembourg on 12 and 13 September 1974.

After an introduction by Mr M. Santo Pinto of the Trade Union Division, Mrs Sandforth, an expert attached to the Commission, and Mr A. Prozzillo of the Social Affairs Directorate-General led debates on the two themes of the seminar.

The discussions brought out the situation in regard to application of the principle of equal pay for work of equal value in each of the nine countries, and possible initiatives by the commission were considered.

5. BRITISH TUC APPROVES SOCIAL CONTRACT

The 1974 Congress of the British TUC was attended by delegates from 109 trade unions representing 10,022,224 members; most of the unions which had been suspended because of their decision to register under the Industrial Relations Act have been readmitted to the TUC following repeal of that act by the Labour Government and consequent elimination of the point at issue.

The social contract

This and other actions of the Labour Government which took up office in February 1974 helped to obtain the approval of a "social contract" by the Congress. The social contract means on the government side (1) action "to reduce the effects of inflation, the maintenance of full employment, preserving the standard of living and strengthening and expanding economy of the country"; (2) action to make a

considerable "redistribution of income and wealth, to improve the position of poorer sections within society" and (3) acknowledgement that no statutory or compulsory incomes policy can provide a remedy to problems facing the nation or the trade union movement.

On its side the TUC set out guidelines for trade unions in their collective bargaining :

- 1) "the scope for real increases in consumption at present is limited, and a central negotiating objective in the coming period will therefore be to ensure that real incomes are maintained" (no increase in real income should normally be sought by unions);
- 2) there should be a twelve month interval between major increases;
- 3) priority should be given to negotiating agreements "which will have beneficial effects on unit costs and efficiency, to reforming pay structures, and to improving job security";
- 4) priority should also be given to attaining a certain TUC minimum wage (set at £ 25 per week in 1973, which would be equivalent to approximately £ 28 at today's prices);
- 5) finally, a "continuing aim is the elimination of discrimination against particular groups, notably women; improving non-wage benefits such as sick pay and occupational pension schemes; and progress towards four weeks' annual holiday".

Much Congress time was taken up with problems of the public services, both in regard to lagging behind of salaries in the public sector during recent wage freezes and in regard to cutbacks in investment in the public sector decided on at short notice by the government at the end of 1973. Particular attention was paid to crises in the education and health fields, and a resolution was adopted calling on the General Council to prepare a report on coherent economic, financial and pay policies for the public sector.

Industrial democracy

The General Council's proposals on industrial democracy were published in 1973. These foresee the gradual introduction of a new two-tier system in companies, with supervisory boards and management boards. One half of the supervisory board would be elected through the trade union machinery. The Congress both approved these proposals and adopted a resolution on industrial democracy sponsored by several trade unions, stressing rather the need to "extend the area of collective bargaining giving union representatives increasing control over elements of management including dismissals, discipline, introduction of new techniques, forward planning of manpower rationalisation, etc."

The effect of these decisions is to establish maximum flexibility in regard to the extension of industrial democracy. A law embodying the decisions would oblige companies employing more than 2,000 workers

to set up a two-tier board structure if there is trade union recognition and if the unions choose to exercise their right to have such a system. If the unions do not exercise that right, they can negotiate to extend collective bargaining to areas hitherto regarded as management prerogatives.

It is possible that the first major extension of industrial democracy will come in certain of the nationalised industries, where a single board with half of the members coming from trade unions in the industry is envisaged.

European questions

A resolution on European trade union cooperation stressed the need for action to deal effectively with problems arising from the multinational companies and called on the General Council to continue to develop and support cooperation with all European trade unions as a matter of priority. It added that "this approach is on the clear understanding that opposition continues to participation in EEC institutions or trade union groups confining their membership and activities within the EEC".

The Congress, like last year, declared its opposition to Britain's membership of the European common market; no new decision of substance was taken while the Government is engaged in renegotiation of the terms of British entry.

For the same reason the Congress saw no reason to change its decision of last year not to participate in Community machinery, the General Secretary Len Marray remarking that it was still not apparent that TUC participation in these institutions would be of any great value.

Woman President for TUC

At the first meeting of the General Council after the Congress Mrs Marie Patterson, General Council member and Woman Officer of the Transport and General Workers' Union, was elected TUC President for period up to and including the 1975 congress.