

European
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Social Policy Green Paper and Growth,
Competitiveness and Employment White Paper

The European Union At A
Crossroads - Which Way
Forward?

This issue of the Bulletin concentrates on two vitally important documents which were published within weeks of each other towards the close of 1993. Together, they will shape the future of the European Union as it moves towards the new century. Whilst the two documents - the Green Paper on European Social Policy and the White paper on Growth, Competitiveness and Employment - are quite separate, they are linked by far more than merely the timing of their launch. Advances in social policy are dependent upon having the economic resources to fund such services as health, education and the care of the young and the elderly. But equally, a vibrant social infrastructure is essential to achieving economic prosperity.

This theme of interdependence and integration is reflected in both documents. In his introduction to the Social Policy Green Paper, European Social Affairs Commissioner, Pdraig Flynn, underlines that "the premise at the heart of this Green Paper is that the next phase in the development of European social policy cannot be based on the idea that social progress must go in retreat in order for economic competitiveness to recover". In a similar way, the White Paper rejects the idea that a solution to our economic ills can be found in a drastic cut in wages and living standards to bring labour costs in line with those in developing countries.

A way must be found to achieve both economic regeneration and to advance the social standards that exist within the European Union. In the months and years ahead the European trade union movement has a central role to play in ensuring that these two objectives are met. The first objective of the European Union listed in the Maastricht Treaty is "to promote economic and social progress which is balanced and sustainable". Within the first few months of its existence, the European Union is faced with clear choices which will determine our ability to meet this prime objective.

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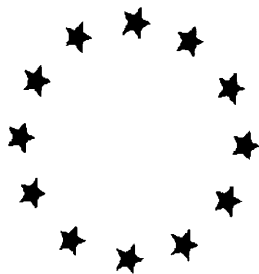
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European Social Policy Options For The Union

The European Social Policy Green Paper, which was published in November 1993, is part of a process which will lead to a new phase in European social policy which will help shape the society we will live in in the twentyfirst century. The primary objective of the Green paper is to stimulate a wide-ranging debate within all Member States about the future of social policy in the European Union. Its issue coincided with ratification of the Maastricht Treaty on European Union, an opportune time to take stock and consider the different options for the future.

The important premise at the heart of the Green Paper is that the next phase in the development of European social policy cannot be based on the idea that social progress must go into retreat in order for economic competitiveness to recover. On the contrary, the Community remains fully committed to ensuring that economic and social progress go hand in hand. But moving on from the fundamental premise that social progress must continue to advance, the critical question is how the European Union can best foster such an advance.

This question is the theme that runs through the entire Green Paper. Indeed, it is subdivided into a series of 65 detailed questions which cover all aspects of social policy options, from the general principles to the individual issues. The role of a Green Paper is not to provide answers but to pose questions and identify alternative approaches.

Part I sets out what the Community has already achieved in the social sphere. Both the Community Charter on Fundamental Social Rights and the Social Dialogue process are examined. Part II looks at the social challenges now facing us all. It examines the risks of declining social cohesion in Europe and the threats to important common goals such as social protection, solidarity, and high levels of employment. A new medium-term strategy is needed which will draw together economic and social policies in partnership rather than in conflict with each other. Only in this way will sustainable growth, social solidarity and public confidence be restored. It is acknowledged that European production systems need to be based on new technologies. There can be no social progress without wealth creation. But it should also be recognised that the consequent structural challenges will have considerable impact on other important areas, such as employment intensity, working and living conditions, the quality of life and the development of industrial relations. Part III discusses the possible responses of the Union to these challenges, both in terms of what Member States want and of what the Community is trying to achieve. Part IV provides a brief conclusion and Part V brings together the questions raised in different parts of the Green Paper.

An indication of the approach of the Green paper can be

gauged from just one section of part IV - the discussions of objectives and targets. The following questions are listed in this part of the Green Paper:-

What sort of objectives and targets would be acceptable to the Member States and the partners concerned?

In the field of the labour market:

the provision of a job, activity, useful training for all those seeking work or work sharing?
a new balance between expenditure on active measures and income maintenance?

In the field of social protection and exclusion:

minimum income provision?
an integration plan for all the excluded?

In the field of equal opportunity:

targets for specific groups (work-sharing, income sharing, decision-making) such as women?
measures which reconcile family responsibilities with employment?
for the young, a "guarantee" of a job, activity or useful training?
measures to encourage the horizontal and vertical desegregation of the labour market?

In the field of training:

targets for the output of qualifications at different levels, so as to mobilise the different actors?

This is just one of over sixty questions designed to generate the views and comments of all those concerned with the future development of European social policy. This is not just the governments of Member States, indeed in many cases their views are already well known. The Green Paper is equally aimed at non-governmental organisations, local and regional authorities, and of course the trade union movement. Issues such as unemployment, social dialogue and working time are all central to the beliefs and policies of the trade union movement and equally central to the future of social policy.

The deadline for the submission of ideas and suggestions based on the Green paper was the 31st March. Over the following months the various ideas and opinions will be carefully considered and will form the basis for a White Paper on social policy which will be published in the second half of the year.

European Works Council Directive Enters Second Stage Of Consultation

On the 5th December 1990 the European Commission adopted a proposal for a Council Directive on the establishment of a European works Council in Community scale undertakings for the purpose of informing and consulting employees. Both the Economic and Social Committee and the European Parliament adopted Opinions on the proposal during the first half of 1991, and in September 1991 the Commission submitted an amended proposal to the Council. During numerous debates and discussions within the Council, the representatives of the Member States were unable to reach a unanimous decision to adopt the directive.

On the 17th November 1993, the European Commission gave notice that it had decided to initiate the procedures set out in the Agreement on Social Policy which forms part of the social policy protocol of the Maastricht Treaty on European Union. Under the procedures set out in the Annex, certain social policy proposals can be adopted by means of a qualified majority vote. However, where such decisions are made, the adopted measure will not apply to the United Kingdom.

The Agreement on Social Policy requires the Commission to consult management and labour at Community level before proposals are submitted. A first stage of consultations were undertaken during November 1993. Whilst both management and labour agreed that the provision of information to employees is part of good management practice, they were not able to agree on the most effective way of achieving such ends. The employers preferred a flexible, non-legislative approach to encouraging a greater provision of information, whilst the ETUC remained convinced of the need for a binding legal instrument at Community level.

Article 3(3) of the Agreement on Social Policy provides for a second stage of consultations with management and labour if the Commission continues to believe that Community action is advisable. On the 8th of February 1994, European Social Affairs Commissioner, Padraig Flynn announced that a second stage of consultation was to be undertaken on the content of the envisaged proposal. Article 4 of the Agreement allows management and labour to agree to implement the measures by "contractual relations or agreements", if they so jointly desire, or to request a Council decision on a proposal from the Commission.

In launching the second stage of consultation, Padraig Flynn commented on the relation between negotiated agreements and legislative initiative in the area of information and consultation rights. "The key point about information and consultation is that it requires the active goodwill of both management and labour to make it work" he said. "True

information and consultation of workers will best be achieved by free negotiation between the two sides of industry. The new proposal is designed to bring both sides to the negotiating table in a constructive way. The best result for the Commission would be if the unions and employers would now reach agreement between themselves and thus obviate the need for legislation. The paradox of this Directive is that it will succeed best if it is never applied, but that if it did not exist, nothing would happen".

Whilst the proposals submitted to management and labour by Commissioner Flynn reflects many of the elements of the original draft directive, it also differs in as far as the concrete concept of a European Works Council is replaced by a more flexible system for the transnational information and consultation of employees which may not necessarily imply the establishment of a transnational structure as such.

In the latest proposals the threshold requirement is increased in that it requires a written request of employees' representatives representing 500 employees. The main body of the proposal intends to provide for a legal framework within which an agreement can be concluded between central management and representatives of employees. The parties would be free to set up the information and consultation mechanism most suited to their needs.

The proposal also extends the period before which the rules laid down in the annex would be applied in the event of management and employees failing to agree upon a system. The period is extended from one year to two years.

Whilst, under the terms of the Agreement on Social Policy, any legislation would not apply to the United Kingdom, the proposals submitted by Commissioner Flynn obliges transnational undertakings which have their central management located in one of the other Member States to invite management and employees of their UK branches or subsidiaries to participate in the information and consultation mechanism which is established. The proposal would also require Community scale undertakings where the central management is located in the UK to meet the requirements of the proposed measures in so far as their employees based in other Member States are concerned.

The second-stage consultations will continue until the end of March, by which time the social partners should forward the Commission an opinion or recommendation, or inform it that they wish to initiate a nine month negotiating process in order to reach agreement on an alternative to a legislative approach. In either case, Mr Flynn reaffirmed his commitment to bringing the matter to a successful conclusion before the end of the year.

New Education And Training Funding Programmes Launched

The European Commission has announced proposals for two new programmes in the field of education and vocational training. Both programmes will cover the five year period 1995 - 1999 and will absorb many of the existing education and training programmes. They will also introduce new approaches and initiatives and together they will constitute a comprehensive approach to the development of quality education and training within the European Union.

| THE SOCRATES ACTION PROGRAMME | LEONARDO DA VINCI ACTION PROGRAMME | | | | | | | | | | | | | | | | |
|---|--|-------------------|------|-------------------|------|-------------------|------|-------------------|------|-------------------|---|----------|-------------------|-----------|-------------------|------------|-------------------|
| Reference: COM (93) 708 final 3 February 1994 | Reference: COM (93) 686 final, 21 December 1993 | | | | | | | | | | | | | | | | |
| Socrates is an action programme in the sphere of school and higher education in the European Union. It covers activities previously supported by the ERASMUS and LINGUA initiatives along with new proposals in the field of school education and the promotion of open and distance education and learning. | Leonardo Da Vinci is an action programme in the sphere of vocational training. It covers activities previously supported by PETRA, FORCE, EUROTECNET and COMETT and initiates measures in the context of three main strands | | | | | | | | | | | | | | | | |
| Objectives: <ol style="list-style-type: none"> (1) To develop the European dimension in studies at all levels. (2) To promote knowledge of the languages of the Community. (3) To increase mobility for the Community's students. (4) To promote co-operation between institutions at all levels of education in every Member State. (5) To encourage recognition of diplomas and periods of study undertaken in other Member States. (6) To develop the use of communications and information technologies as a tool and subject for education. (7) To promote intellectual mobility of know-how and experience. (8) To foster exchanges of information and experience. | Common Framework of Objectives: <ol style="list-style-type: none"> (1) Facilitating adaption to industrial changes, especially, through vocational training and retraining. (2) Improving initial vocational training and continuing training in order to facilitate integration and reintegration into the labour market. (3) Facilitating access to vocational training and encouraging mobility of instructors and trainees, and especially young people. (4) Stimulating co-operation on training between training establishments and firms. (5) Supporting exchanges of information and experience on issues common to the training systems of Member States. | | | | | | | | | | | | | | | | |
| Funding Available For:- <ul style="list-style-type: none"> - promoting European dimension in higher education institutions; - setting up European university networks; - student mobility grants; - school co-operation projects; - promotion of schooling of migrant workers and gypsies; - updating the skills of educational staff; - promoting language skills in the Community; - promoting information and communication technologies and open and distance education and learning; - promotion of information and exchange of experience. | Funding Available For:- <p>STRAND I : MEASURES TO SUPPORT THE QUALITY OF MEMBER STATES' SYSTEMS AND POLICIES.</p> <ul style="list-style-type: none"> - devising, developing and experimenting with transnational vocational training pilot projects; - dissemination and transfer of training methods; - transnational placement and exchange programmes; - surveys, analyses and exchange of data. <p>STRAND II: MEASURES TO SUPPORT INNOVATIVE CAPACITY IN ACTIONS ON THE TRAINING MARKET.</p> <ul style="list-style-type: none"> - transnational pilot projects; - transnational placement and exchange programmes; - surveys, analyses and exchange of data. <p>STRAND III: NETWORKS, LANGUAGE KNOWLEDGE AND SUPPORT MEASURES.</p> <ul style="list-style-type: none"> - establishment and support of European networks; - action on the development of language knowledge; - information, monitoring and assessment. | | | | | | | | | | | | | | | | |
| Proposed Budget: <table> <tr> <td>1995</td><td>ECU 169.0 million</td></tr> <tr> <td>1996</td><td>ECU 182.7 million</td></tr> <tr> <td>1997</td><td>ECU 199.4 million</td></tr> <tr> <td>1998</td><td>ECU 218.5 million</td></tr> <tr> <td>1999</td><td>ECU 236.0 million</td></tr> </table> | 1995 | ECU 169.0 million | 1996 | ECU 182.7 million | 1997 | ECU 199.4 million | 1998 | ECU 218.5 million | 1999 | ECU 236.0 million | Proposed Budget: (1995 - 1999) <table> <tr> <td>Strand I</td><td>ECU 238.7 million</td></tr> <tr> <td>Strand II</td><td>ECU 388.2 million</td></tr> <tr> <td>Strand III</td><td>ECU 174.9 million</td></tr> </table> | Strand I | ECU 238.7 million | Strand II | ECU 388.2 million | Strand III | ECU 174.9 million |
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The Wealth Of European Regions

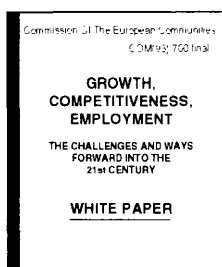
Eurostat has published the most recent figures on per capita Gross Domestic Product for the regions of the European Union. The figures - which are for the year 1991 - for the first time include the new German Laender and consequently display a wider variation than in previous years. A number of long term trends are visible when comparing the 1991 statistics with equivalent figures for

1981. Regions in Spain, Portugal and Ireland have tended to move closer to the overall Community average, whilst other regions in countries such as France and Germany have suffered a considerable fall. Over 10% of the regions of the Union exceed 125% of the overall Community average, and the richest region - Hamburg in Germany - has a per capita GDP which is over twice the Community average.

PER CAPITA GDP (PURCHASING POWER STANDARDS) IN THE REGIONS OF THE EUROPEAN UNION EUR 12 = 100, 1991.

| | | | | | |
|--------------------------|------|-----------|-----------------------|------|------------|
| THÜRINGEN | (D) | 30 | MEDITERRANEE | (F) | 98 |
| MECKLENBURG-VORPOMMERIN | (D) | 33 | UNITED KINGDOM | | 98 |
| SACHSEN | (D) | 33 | EAST ANGLIA | (UK) | 99 |
| SACHSEN-ANHALT | (D) | 35 | MADRID | (Sp) | 100 |
| BRANDENBURG | (D) | 36 | EUR 12 | | 100 |
| NISIA AIGAIU, KRITI | (Gr) | 44 | SUD-OUEST | (F) | 101 |
| OVERSEAS DEPARTMENTS | (F) | 45 | SCHLESWIG-HOLSTEIN | (D) | 102 |
| VOREIA ELLADA | (Gr) | 46 | NETHERLANDS | | 104 |
| KENTRIKI ELLADA | (Gr) | 48 | RHEINLAND-PFALZ | (D) | 104 |
| GREECE | | 49 | BASIN PARISIEN | (F) | 105 |
| ATTIKI | (Gr) | 55 | NOORD - NEDERLAND | (NL) | 106 |
| PORTUGAL | | 60 | ITALY | | 106 |
| CONTINENTE | (P) | 60 | EST | (F) | 106 |
| SUR | (Sp) | 64 | GERMANY | | 106 |
| CENTRO (E) | (Sp) | 65 | NIEDERSACHSEN | (D) | 108 |
| NOROESTE | (Sp) | 66 | BELGIUM | | 108 |
| SUD | (I) | 70 | VLAAMS GEWEST | (B) | 109 |
| SICILIA | (I) | 70 | CENTRE - EST | (F) | 110 |
| IRELAND | | 72 | CENTRO | (I) | 110 |
| CAMPANIA | (I) | 73 | WEST - NEDERLAND | (NL) | 111 |
| NORTHERN IRELAND | (UK) | 74 | DENMARK | | 111 |
| SARDEGNA | (I) | 77 | SAARLAND | (D) | 112 |
| CANARIAS | (Sp) | 79 | FRANCE | | 115 |
| SPAIN | | 80 | NORDRHEIN-WESTFALEN | (D) | 115 |
| WALES | (UK) | 83 | SOUTH - EAST | (UK) | 117 |
| NORTH | (UK) | 86 | LAZIO | (I) | 121 |
| REGION WALLONNE | (B) | 87 | NORD OVEST | (I) | 122 |
| YORKSHIRE & HUMBERSIDE | (UK) | 88 | NORD EST | (I) | 122 |
| WEST MIDLANDS | (UK) | 89 | BAYERN | (D) | 127 |
| NORTH - WEST | (UK) | 90 | BADEN-WÜRTTEMBERG | (D) | 130 |
| ABRUZZI - MOLISE | (I) | 91 | LUXEMBOURG | | 131 |
| OOST - NEDERLAND | (NL) | 91 | EMILIA - ROMAGNA | (I) | 132 |
| ESTE | (Sp) | 92 | LOMBARDIA | (I) | 139 |
| NORESTE | (Sp) | 92 | HESSSEN | (D) | 149 |
| NORD - PAS - DE - CALAIS | (F) | 93 | BREMEN | (D) | 159 |
| SCOTLAND | (UK) | 94 | BRUXELLES - BRUSSEL | (B) | 171 |
| EAST MIDLANDS | (UK) | 94 | ILE DE FRANCE | (F) | 172 |
| SOUTH - WEST | (UK) | 94 | HAMBURG | (D) | 209 |
| BERLIN | (D) | 95 | | | |
| OUEST | (F) | 97 | | | |

SOURCE: EUROSTAT RAPID REPORTS (REGIONS) 1994 - 1



"In order to reverse the course which our societies, bedevilled by unemployment, are taking, the European Union should aim to create 15 million jobs by the end of the century"

Rebuilding The European Economy

The opening sentence of the European Commission White Paper "Growth, Competitiveness and Employment: The Challenges and Ways Forward Into The 21st Century" asks the simple question - "Why this White Paper?" and provides the equally simple answer "The one and only reason is unemployment". Since the beginning of the 1970s, unemployment in the Community has risen steadily except during the second half of the 1980s. Today 17 million people are out of work. Trade unionists do not need reminding of neither the economic nor the social costs of unemployment. The remorseless increase in the forced inactivity of workers threatens to undermine the real achievements of the European Community during the last ten years. Even worse it threatens to undermine the fabric of solidarity and tolerance which binds the Community, and the new European Union, together. Urgent action is clearly required to reverse the cycle of recession, redundancy and decline which has gripped the economies of all Member States over recent years. To be effective such action must be collectively determined and collectively applied. To move away from the challenge of finding a European solution to our economic problems would be to abandon the most effective economic tool available to us - the collective strength of the Single European Market - and to risk abandoning the principle of cohesion in favour of narrow national self-interest.

The Copenhagen European Council meeting in June 1993 charged the European Commission with the task of presenting a White Paper on a medium term strategy for growth, competitiveness and employment. The White Paper was subsequently presented to the December European Council meeting in Brussels. It drew on three major sources:-

- (1) Contributions from the governments of the twelve Member States.
- (2) A series of detailed preparatory reports prepared by the European Commission.
- (3) Contributions from the social partners at European level in the context of the social dialogue.

The White Paper does not present any miracle cures to the complex economic problems that face us all. Indeed, it goes out of its way to reject a number of false solutions including protectionism and a drastic cut in wages to align our labour costs with those of our competitors in developing countries. Nevertheless, the White Paper does present an essential target - the creation of 15 million jobs by the end of the century - and it equally highlights the essential preconditions to achieve such a target. The White Paper is not in itself a programme of measures. Measures are necessary at both European and national level, but the essential contribution of the White paper is to provide a detailed analysis of both the problems facing the European economy and a series of possible solutions. Thus, the White paper sets out to foster debate and to assist decision-making - at decentralised, national and Community level - so as to lay the foundation for sustainable development of the European economies, thereby enabling them to withstand international competition while creating the millions of jobs that are needed.

The Brussels European Council stated that the White Paper contained "a lucid analysis of the present economic and social situation of the Union and constitutes a reference point for future work" Whilst the Council reiterated that there is no miracle cure for unemployment it emphasised that we cannot simply resign ourselves to it. The seriousness of the crisis facing the European Union was such that new efforts have to be made to significantly reduce the number of unemployed by the end of the century. Following its discussion of the White Paper, the Council adopted an action plan consisting of:-

- (1) A general framework for the policies to be pursued at Member State level to promote employment;
- (2) Specific accompanying measures to be conducted at Community level;
- (3) An on-going monitoring process.

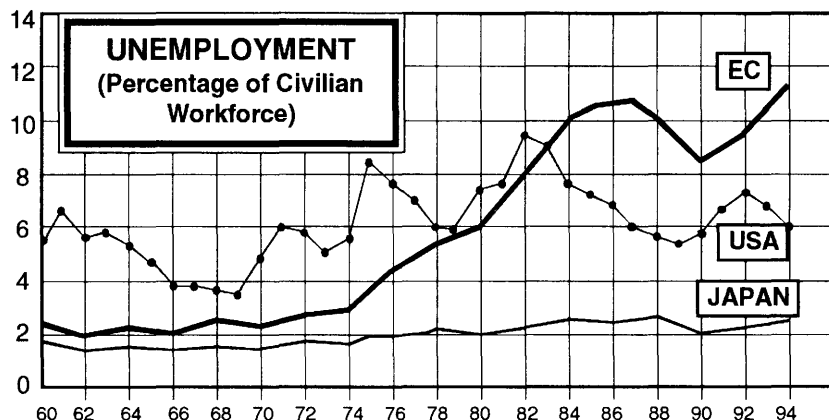
It is clear that the analysis contained within the White Paper will form the basis of actions to be undertaken at both Community and national level in the years ahead and it is consequently a vitally important document. The following pages contain a short summary of some of the key points contained in the White Paper. The full text of the White Paper is published as a Supplement to the Bulletin of the European Communities (Supplement 6/93) and is available from the Office For Official Publications of the European Communities, price ECU 6.

UNEMPLOYMENT - THE FUNDAMENTAL PROBLEM

Unemployment in the European Community has risen steadily since the beginning of the 1970s except for a period in the latter eighties when nine million jobs were created through a combination of appropriate national policies, a favourable external environment and the dynamics resulting from the creation of a Single European Market. By the beginning of the 1990s, the relentless increase in unem-

This has been very much the case in the European Community in the period since 1960, other than the short period of rapid growth that occurred in the late eighties. Even though GDP increased annually by an average of 5% during the period 1961 - 1973, this figure was almost matched by productivity growth. The result was almost a total absence of employment growth during this period. Even though

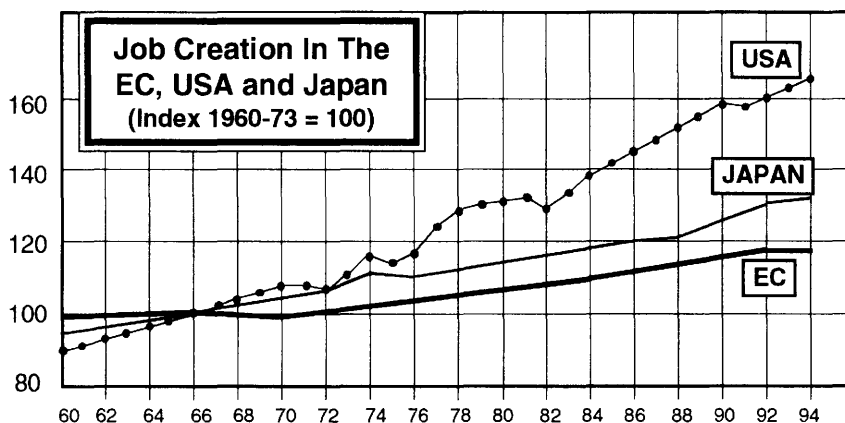
growth rates were less during the period 1974 - 1980; the relationship between growth, productivity and employment remained the same. During the early eighties growth in labour productivity outstripped growth in GDP and total employment went into decline. Only during the short burst of growth in the late eighties did employment grow significantly. It is notable that during this period labour productivity increased much slower than GDP.



ployment seems to have returned to Europe, with all the associated economic, political and social problems.

The sharp down-turn in economic activity which has beset the European economy since 1990 has led to a significant increase in the rate of unemployment. By the end of 1994. It is possible that over 18 million European citizens will be out

Whilst unemployment is not simply a European problem, there have been marked differences in the success achieved in creating new employment by different industrial nations. The unemployment rate in the USA was higher than that in the EC during the sixties and seventies, but the USA have achieved a lower unemployment rate over the last ten years. This is largely because the USA has been more successful in terms of job creation. Economic growth does not necessarily lead to growth in employment. Growth in Gross National Product can be balanced by increases in labour productivity and/or increases in the size of the labour force. In both such cases increased economic growth could be achieved without a corresponding increase in total employment.



of work - a figure equal to the combined population of Belgium, Denmark and Ireland! Thus the problem facing the European economy is not just achieving economic growth, but achieving the right kind of growth - growth with a high degree of employment intensity.

THREE TYPES OF UNEMPLOYMENT

In order to explain the employment crisis, it is necessary to distinguish between three types of unemployment.

CYCLICAL UNEMPLOYMENT: Economic growth does not follow a steady course but tends to run in cycles of growth and recession. At a time when labour resources are increasing by some 0.5% per year, any slowdown in growth will immediately trigger a sharp rise in unemployment.

STRUCTURAL UNEMPLOYMENT: Even when economic growth has been present, high levels of unemployment have persisted. This can be explained by such factors as the neglect of growth sectors and a heavy concentration of

resources in the more traditional, declining industrial sectors, the relatively high cost of unskilled labour and the fact that employment systems have failed to keep up with the requirements of the modern labour market. Employment **TECHNOLOGICAL UNEMPLOYMENT:** Whilst technological change is not a new problem, the scale and rate of change are greater now than ever before. There seems to be a dangerous time lag between technological progress which removes jobs and our ability to apply technology to identify new collective needs and thereby provide new job opportunities.

TARGETS AND STRATEGY

The European Commission recommends that the Community sets itself the objective of creating at least 15 million new jobs, thereby halving the present rate of unemployment, by the year 2000.

It is estimated that over the next five years the Community labour supply will increase by about 0.5% per year. This takes into account both increases in the working age population (0.3%) and increases in the rate of participation - more people of working age wanting jobs - (0.2%). Thus 5 million new jobs will need to be created in order to prevent unemployment from further increasing. In order to reduce unemployment from its current level of 11% by about half to between 5% and 6% it will be necessary to create an additional 10 million new jobs by the end of the decade.

Although this is an awesome target, it is not totally at

variance with past performance during growth periods: the Community created more than 9 million new jobs during the period 1984 - 1990. To create the necessary new jobs both economic growth and an increase in the employment intensity of growth must be achieved.

Based on the average annual increase in productivity recorded in the Community during recent years, it would be necessary to achieve a growth rate of 2% merely to prevent unemployment increasing further. With a target growth rate of 3% this only leaves a margin of 0.5% (after 0.5% for meeting needs of new entrants to the labour market is taken into account) for the key task of reducing unemployment. However, if the employment intensity of growth can be increased by between 0.5% and 1%, this 2% requirement would be reduced accordingly and the target of 15 million new jobs could be achieved with 3% growth.

THE CONDITIONS NECESSARY FOR SUCCESS

A Healthy Economy

One of the prime requirements is identified as being stability, and consequently a continuation of the fight against inflation. Consequently, the White Paper recommendations are consistent with the "Major Guidelines For Economic Policies" adopted by the Council. The overall strategy must consist of two stages - the first concerned with pulling out of the current recession, and the second - from the mid-1990s onwards - concerned with achieving a period of strong and healthy economic growth. The gradual reduction in public deficits will dominate the first stage, giving way to their stabilisation and restructuring in favour of public resources allocated to investment. Investment in infrastructures, housing and environmental improvement projects should be given a particular boost.

Stable monetary policies consistent with the aim of low inflation will be a constant benchmark throughout the whole period. Such policies should lead to further interest rate cuts that would increase the attractiveness of investment. The trends in all categories of income should be made consistent with the objective of monetary stability and cost moderation.

An Open Economy

Each of the major bursts of growth in the European economies started with a quantitative leap in international trade. The White paper suggests that today we may be seeing the beginnings of an important leap forward with the very rapid integration into world trade of developing countries and former communist countries. The Community must be open and it must prepare itself for the prospect. Of particular importance in this context is:-

- A successful conclusion to the GATT Uruguay Round negotiations.
- The transformation of GATT into a fully-fledged international organisation in order to guarantee a sustainable

and harmonious development of international trade.

- The continuation of efforts to help speed the development of countries to the south and east of the EC in order to develop new markets for our products.

A Decentralised Economy

There is a definite movement towards economic decentralisation, in which hierarchical and linear business empires are giving way to interactive organisations. The growth in importance of small and medium sized enterprises (SMEs), embodying as they do operational flexibility and a capacity for integration, is part of this decentralising process. The movement towards decentralisation, supported by the new technologies, is taking us towards a veritable information society. In order to foster the development of the new "information society", the Commission proposes to accelerate the establishment of "information highways" (broadband networks) and develop corresponding services and applications.

A More Competitive Economy

For the level of employment in the Community to improve, firms must achieve global competitiveness on open and competitive markets, both inside and outside Europe. Two major themes are identified within the White Paper:-

1. Drawing Maximum Benefit From The Single European Market:

The Single Market is now a living reality. However, where companies are concerned, progress is needed in three areas.

- The smooth functioning of the Single Market must be ensured by making sure that the various rules are being implemented at national level and inconsistencies between national and Community laws do not develop.
- Small and medium sized enterprises must be provided with an environment within which they can function

GROWTH, COMPETITIVENESS AND EMPLOYMENT WHITE PAPER

within the Single Market effectively.

- The development of trans-European infrastructure networks must be accelerated by removing regulatory and financial obstacles, involving private investors in major projects, and identifying essential projects by means of the "master plans" already adopted - or in preparation - in such fields as transport and energy.

2. Stepping Up The Research Effort And Co-operation:

Although competition is undoubtedly important, the ability to co-operate and share risks is increasingly becoming a sign of creativity in the business environment. Encouraging intercompany co-operation will gradually become a basic principle of EC research and development policy. Such "vertical co-operation" will be implemented on the basis of a restricted number of large joint projects geared to such areas as new information technologies, biotechnology, and ecotechnologies.

An Economy Characterised By Solidarity

The dynamism of the market can undoubtedly help boost jobs, but experience has shown that the market system is

not without its failings. Market systems tend to underestimate long-term requirements and destroy cohesion by promoting concentrations and thereby creating inequality between regions and localities. In such a context it is essential to foster solidarity at a number of levels:

- Solidarity between those who have jobs and those who do not. The Commission are proposing the establishment of a "European Social Pact", the detailed arrangements of which would be adapted to the specific circumstances of each country.
- Solidarity between generations. The White Paper emphasises that it is essential that provision for demographic changes (a falling number of people of working age and an increase in the elderly) are planned now.
- Solidarity between the more prosperous regions and the poor or struggling regions. Economic and social cohesion is an essential pillar of European construction.
- Solidarity in the fight against social exclusion. The White Paper suggests that a comprehensive policy, preventive as well as remedial, is required to combat poverty in the Community.

ACTION FOR JOBS

In addition to setting out the above preconditions for achieving the levels of growth required to achieve the target of creating 15 million new jobs by the end of the decade, the White Paper calls for specific action on jobs. The relationship between economic growth and unemployment is not a simple one and this can be seen by comparing the performance of individual Member States. For example, Germany and Spain have enjoyed a comparable rate of economic growth over the last 15 years of around 2.3% per annum. Nevertheless, the average rate of unemployment in Germany has been 6% whilst in Spain it has been 16%. Growth in itself is not a solution to unemployment. Vigorous action is required to create jobs.

Circumstances in each Member State will differ in line with the "national employment systems" to be found in each country. Any action proposed for creating more jobs must take account of such differences. However, a number of common problems can be identified, and the White Paper lists six priority areas.

Priority 1: Lifelong Education and Training.

The education systems of the Member States are faced with difficulties which are partly rooted in social ills: the breakdown of the family and the demotivation bred by unemployment. They also face problems generated by the increasing pace of change in society. Preparation for life in tomorrow's world cannot be satisfied cannot be satisfied by a once and for all acquisition of knowledge and know-how.

Lifelong education is therefore the overall objective to which the national education systems can make their own contributions. Choices have to be made in each country in order to reach the correct balance between quantity and quality in both education and vocational training. However the common objective of each country should be the existence of universally accessible advanced vocational training. Public and private efforts must be married to create the basis in each Member State for a genuine right to initial or ongoing training throughout one's working life.

Priority 2: Internal and External Flexibility

The question of labour flexibility needs to be examined from two angles - external and internal. Improving external flexibility means making it possible for more unemployed workers to meet the identified requirements of businesses. This involves both increasing geographical mobility and ensuring an adequate provision of advanced vocational training opportunities. Internal flexibility is the result of the optimum management of a company's human resources. The aim is to adjust the workforce without making people redundant wherever this can be avoided. By focusing on the continuity of the link between the company and the worker, the investment in human resources and staff involvement can both be maximised. It is up to individual companies to improve internal flexibility by such means as improving staff versatility; fostering the integrated organisation of work; adopting more flexible working hours; and making more use of performance-related pay. Such factors should be tailored to the European company model and become central to negotiations within the company.

Priority 3: Greater Expectations From Decentralisation

The optimum operation of the labour market calls for a large degree of decentralisation within "employment areas". Decentralised control - for example at company level - will allow for a greater degree of flexibility in responding to the economic needs of the company and protecting the interests of the workforce. For example, decentralised decisions on working hours, taken, for example, at company level, can improve competitiveness and encourage job creation and job retention. More flexible retirement schemes, more diversified working years, and greater provision for part-time working, correspond in many situations to the wishes of workers and the interests of undertakings which are concerned to make better use of their capital. At the same time as calling for greater decentralisation of decision-making, the White Paper emphasises the continued involvement of the social partners in the decentralised management of employment areas.

Priority 4: Reducing The Costs Of Unskilled & Semi-skilled Labour

In eight out of twelve countries in the European Union, social security contributions are relatively more onerous on low incomes. The White Paper strongly recommends that action be taken to reduce the non-wage costs of labour, in particular unskilled and semi-skilled labour. The increase in employment this would lead to, would partly offset the reduction in tax and national insurance revenue. The remaining costs could be financed by savings or a greater emphasis on environmental taxes.

Priority 5: A Full-Scale Overhaul Of Employment Policy

Investing in human resources is the task of governments as well as the business community. Currently, too little is being done to pursue "active" employment policies - only about one third of public expenditure on unemployment is devoted to active, preventative measures. A major change of emphasis is called for along with a major reform of employment services. Active measures would concentrate on areas such as improved counselling and monitoring, improved information, placement and support services, and improved services for the long-term unemployed and unemployed young people.

Priority 6: Dealing With New Needs

Whilst structural changes have led to the loss of many traditional areas of employment, new needs are constantly developing and consequential employment opportunities exist. Today, new needs often correspond to changes in lifestyles, the transformation of family structures, the increase in the number of working women and the new aspirations of the elderly. They also stem from the need to repair damage to the environment and renovate the most disadvantaged urban areas. Whilst it can be argued that the labour market itself should provide for such new needs to be translated into employment opportunities, there are barriers to the development of both the demand for and supply of such new services, such as the scale of non-wage costs and the perception of "caring" jobs as being somehow degrading. A new initiative is required to stimulate both demand and supply, thus maximising employment opportunities in areas which are increasingly important to society.

The full text of the White Paper provides a considerable body of analysis and research. The main body of the White Paper, which has been summarised above, is followed by an expansion of two "development themes".

Development Theme 1 examines the potential role of information networks. Digital technologies are set to radically alter the world we live in. New communications technologies will mean changes in the way companies are organised and provide the opportunity of a more flexible approach to work. These developing technologies will also change consumption patterns and provide new opportunities for the rapid delivery of essential services. Inevitably such technologies present the European economy with a significant challenge, but it is in our interest to meet the challenge and gain the accompanying competitive advantage. The White Paper presents a detailed action plan for exploiting the potential of information networks, including the development of a trans-European information network and an appropriate regulatory framework. Massive investment is required over the next few years to ensure that Europe develops the new information networks it will need if it is to remain competitive.

Development Theme 2 examines the need for further developing trans-European transport and energy networks. The success of the European economy in the past has been based on the quality of its communications networks which give its inhabitants easy access to natural and technical resources. It is essential that we continue to develop our transport and energy networks and this requires a substantial investment in infrastructure. Our investment in infrastructures has been slowing down over the last ten years and this is part of the reason behind our current economic problems. By focusing the necessary resources on trans-European projects, we shall be able to maintain our capacity to compete with the rest of the world and improve the quality of life in Europe. Infrastructure investment will also be an important source of employment opportunities and therefore it will make an important contribution to economic recovery in Europe.

Commission White Paper Welcomed

EUROPEAN TRADE UNION CONFEDERATION

The Executive Committee of the European Trade Union Confederation (ETUC) adopted on the 9th December an appeal to the heads of state and government of Member States to "assume their responsibilities in the face of economic crisis and an ever-rising unemployment rate". The statement continues, "It would be disastrous if the European Council did not manage to give a clear message to make employment the top priority of policies to be developed by the Union". In particular the ETUC is calling for confirmation of the objective, set out in the GCE White Paper, of reducing unemployment by a half by the year 2000. This objective, the ETUC believes, should be supported by balanced economic and social policies. The statement goes on to warn against the dangers of looking for "simplistic" approaches to the problem of competitiveness which seek to find a miracle cure in excessive work flexibility, in unbridled social deregulation, and in the reduction of real salaries". In relation to the economic growth strategy, the ETUC is calling on the summit to adopt two strategies which will have a multiple effect on growth, competitiveness and employment creation. These are the swift and co-ordinated reduction of short-term interest rates, and the substantial rise in resources available for investment in infrastructures and trans-European networks.

The ETUC Steering Committee, meeting in February 1994, declared that, despite its limitations, the White Paper was a valid response to "the conservative positions adopted by the employers and some governments". The committee considers that the White Paper must become a permanent item on the European Union's agenda.

THE SOCIAL DIALOGUE

The Social Dialogue Committee met in Brussels on the 11th February to discuss the Commission White Paper on Growth, Competitiveness and Employment. The social partners had, of course, been closely involved by the Commission in the drawing up of the White Paper. Although there were areas of difference between the social partners, they agreed that the White Paper was "businesslike and capable of being used as a permanent agenda for further examination of future Community policy objectives". The three social dialogue organisations - ETUC, CEEP and UNICE - agreed to hold a special discussion seminar on the White Paper on the 12th and 13th April. Following on from the discussions on the White Paper, the European Trade Union Confederation proposed a new dynamic for the social dialogue. They suggested seeking greater convergence and even the adoption of a framework agreement on vocational training and new forms of employment.

THE EUROPEAN COUNCIL

The December 1993 Brussels European Council meeting stressed the quality of the Commission White Paper which, it believes, constitutes a reference point for future work. Following a discussion on the content of the White Paper it adopted an action plan based on two distinct, but related, levels of activity. In terms of action to be taken at national level, the Council defined objectives whilst leaving Member States free to choose the means appropriate to their situation within a general framework defined in common. Member States were asked to pay particular attention to improving education and training systems, improving flexibility within enterprises, achieving targeted reductions in the indirect cost of labour and introducing specific measures to help young people leaving the education system without adequate training.

At Community level, the Council called for the full exploitation of the Single Market, investment in infrastructure development in both the sphere of information and communications technologies and transport and energy networks, and the rapid implementation of the 1994-1998 Research Framework Programme. The Council also emphasised that the success of the action plan presupposes the commitment of all those involved in preserving social cohesion and invited the Commission to continue its efforts to lead the social dialogue and make full use of the new possibilities available under the Treaty on European Union.

THE GREEK PRESIDENCY

At a Gala Dinner held in Athens on Tuesday 4th January to launch the Greek presidency of the Council, Greek Prime Minister Andreas Papandreou said that the two main themes of the Greek Presidency would be employment and competitiveness. He said, however, that concern to improve the competitiveness of the European economy and the economies of the Member States must not "sap the *acquis* of the working classes". In his introductory remarks to the meeting between the Commission and the Greek government which took place the following day, Mr Papandreou said that Greece was beginning its third term as Council President in the midst of "the worst crisis since the end of World War II" with unemployment reaching unacceptable explosive levels. He said that his government attached great importance to the Commission Growth, Competitiveness and Employment White Paper which "gradually reverses the theory of liberalism and makes it possible to envisage a new model of development". He stressed that it was vital to bring the European Union closer to its citizens and to preserve the European model which he defined as "the right to work and to fair and satisfactory pay".

EUROPEAN PARLIAMENT

Perspectives and Challenges For European Women

The Socialist Group of the European Parliament released on Monday 31st January 1994 a programme entitled "Perspectives and Challenges For European Women". The ten point programme calls for the following:-

1. A Europe Of Women based on a study of the Treaty and the need for revision during 1996.
2. Representative democracy which mirrors the proportion of women in society.
3. The appointment of a Minister in each Member State responsible for equal opportunities.
4. Half of the members of the European Commission to be women.
5. "Economic citizenship" for all women.
6. The organisation of an audit on equality for women including a study of the positive and negative consequences of national budgets on women.
7. Self-determination for women within political parties.
8. Measures against violence against women with the abolition of the "patriarchal model".
9. Full human rights for women.
10. An enlargement of the European Union that will be positive for the women who will join.

The Belgian MEP, Raymonde Dury, said that these ten points supplement the published European Socialist Manifesto and would be central to the coming European Parliament election campaign.

Joint Parliamentary Statement On Racism

The President of the European Parliament, Egon Klepsch, along with the presidents of a number of national parliaments (including Germany, Italy, France, Belgium and the Netherlands) have issued a statement unconditionally condemning racism and xenophobia and all forms of incitement to extremist violence, racism and anti-semitism. The statement was issued on the occasion of a visit by the presidents, along with a large number of MEPs, to the site of Auschwitz concentration site on the occasion of the 49th anniversary of its liberation. The statement calls on all EU Member States to apply with rigour all existing legislation in the fight against racism and xenophobia and to ensure that the security of all citizens and foreigners is guaranteed. The statement also calls:-

- on Member States to encourage positive action to increase awareness amongst young people;
- on Member States to implement the joint declaration of the European Parliament, Council and Commission of the 11 June 1986 and the provision of the Treaty on

European union with respect to fundamental human rights.

- on Ministers concerned to ensure co-ordination of policies on immigration and asylum;

The statement confirms the determination of the democratically elected MEPs of the European Union ... "to work together in a spirit of solidarity to uphold our common principles of democracy, human rights and tolerance and to provide real and lasting progress to eradicate all forms of racism and xenophobia".

Parliament Calls For Action Plan For The Elderly

The February Plenary Session of the European Parliament called for the adoption of a European multi-annual action plan for the elderly which would feature clearly defined measures and an associated timetable. By adopting the Fayot Report, Parliament requests the regular adjustment of retirement earnings to the cost of living and reiterates its call for the introduction, at Community level, of the right to a minimum income. The parliamentary resolution also calls for action in the field of care services for the elderly including material assistance and professional support for family members and other individuals providing "informal care". Parliament also called for a strengthening of the role of the elderly at the political level through the abolition of age limits and the creation of structures fostering their participation.



THE ECONOMIC AND SOCIAL COMMITTEE

Committee Supports Cohesion Fund Regulation

The February Plenary Session of the Economic and Social Committee unanimously adopted an Opinion on the new Cohesion Fund which is designed to channel funding to the least developed Member States. The Opinion gives full support to the proposed Cohesion Fund Regulation with the following recommendations:-

- the regulation must incorporate mechanisms for consultation with regional authorities and the social partners on the selection of projects;
- the regulation should offer the possibility of financing projects, in exceptional cases, even if the total expenditure is less than ECU 10 million;
- the regulation relating to funds should be re-examined in 1996.

Responding to the call for consultation with the social partners on the selection of projects, Commissioner Peter Schmidhuber said that the national authorities were the partners of the Commission in the context of the Cohesion Fund. The Commission would nevertheless, he said, examine ways in which it can consult the social partners at Community level. He also stressed that the ECU 10 million threshold for funding was only indicative.

Commission Work Programme On The "Social Economy"

The European Commission has approved a work programme to assist co-operative enterprises and mutual associations/societies take advantage of the Single European Market. Such enterprises (known in Commission terminology as "the social economy") are, in the view of the Commission, particularly likely to experiment and implement innovative social practices which it is in the Community interest to promote. The social economy also employs a large number of people in the Community in a wide range of activities and thus can make a significant contribution to creating jobs and helping to maintain the diversity of the Community economy. The Action Programme will cover the three year periods 1994-1996 and it has been allocated a budget of 5.6 million ECU. The objectives of the programme (and the types of action to be financed) are:-

1. The promotion, co-ordination and strengthening of direct interventions in favour of co-operatives, mutual associations, associations and foundations by means of (i) an improved horizontal approach via the development of studies on the impact of the Community and the SEM on this sector, and (ii) support for specific actions aimed at fostering crossborder co-operation, improving information and disseminating results of social innovation.
2. The improvement of actions in favour of co-operatives, mutual associations, associations and foundations within other Community policies, particularly through improved Community statistics, support for training actions and incentives for R&D.

Labour Costs in Selected Member States 1990 / 1991

The following figures on labour costs and profits have been published by the European Commission in "European Economy - Supplement A, January 1994"

| Country | Staff Costs as a % of turnover | | Overall Gross Profit Ratio | |
|-------------|--------------------------------|------|----------------------------|------|
| | 1990 | 1991 | 1990 | 1991 |
| BELGIUM | 19.4 | 20.5 | 12.8 | 12.2 |
| GERMANY | 24.7 | 25.1 | 12.6 | 12.5 |
| SPAIN | 21.0 | 21.5 | 11.5 | 9.8 |
| FRANCE | 19.7 | 20.0 | 12.1 | 11.7 |
| ITALY | 18.3 | 19.2 | 12.0 | 11.3 |
| NETHERLANDS | 17.4 | 18.2 | 15.2 | 16.1 |
| PORTUGAL | 17.2 | 18.2 | 16.4 | 15.6 |
| U K | 20.1 | n/a | 13.5 | n/a |

Council Finally Adopts The "Working Time" Directive

After being subject to over three years of discussion and debate, the Council of Ministers finally adopted the Directive on the organisation of working time on the 23rd November 1993. The directive, which was one of the proposals featured in the European Commission Social Charter Action Programme, provides a range of limitations on working hours and introduces minimum standards on breaks, rest periods and annual leave. The main features of the directive are as follows:-

Daily Rest Periods:

Every worker will be entitled to a minimum daily rest period of 11 consecutive hours per 24 hour period.

Breaks:

Where the working day is longer than six hours, every worker is entitled to a rest break, the details of which shall be laid down by collective agreements or, failing that, by national legislation.

Weekly Rest Periods:

For each seven day period, every worker will be entitled to a minimum uninterrupted rest period of 24 hours plus the 11 hours' daily rest period mentioned above.

Maximum Weekly Working Time:

Member States are required to take measures to ensure that the period of weekly working time is limited by means of laws, regulations or administrative provisions or by collective agreements and that the average working time for each seven-day period, including overtime, does not exceed 48 hours.

Annual Leave:

Member States are required to take the measures necessary to ensure that every worker is entitled to paid annual leave of at least four weeks. The minimum period of paid annual leave may not be replaced by an allowance in lieu, except where the employment relationship is terminated.

The directive comes into force in November 1996, although employers will not be required to give workers a fourth week of paid leave until November 1999. Those working in the transport sector or at sea are not covered by the new directive; nor are doctors in training. The directive also provides for a number of derogations - seasonal work is among them - for which special rest periods are provided. The directive stipulates that neither governments nor employers can make the minimum rights the pretext for reducing existing national standards.

In practice, most workers in the European Union already enjoy better protection than is embodied in the new directive, however, at present, no Member State implements all its provisions.

**SOCIAL
PROTECTION
IN
EUROPE**

Towards the Convergence of Social Protection Objectives

All Member States are facing similar problems with regard to social protection: adverse demographic trends and changes in family structure. Although there is no question of harmonising social security systems within the Single Market (which are rooted in the culture, institutional structures and organisational procedures of each country) the Council did decide in 1992 that there should be a gradual convergence of social protection objectives and policies, not least of all because differences in levels of social protection can hamper or distort freedom of movement. The aim of the Council approach was to establish common objectives which would serve as a guide for national policies, while at the same time leaving Member States with a completely free hand to operate and decide how to finance their own systems.

In their 1992 Recommendation, the Council stressed the importance of exchanging information and the results of studies, so that debate could be enhanced and new ideas promoted. The Commission has recently published a report (*) which acts as an initial contribution to this exchange of information and as an encouragement of further study. In many ways the report is closely related to the annual "Employment in Europe" report.

The report adopts a three-fold approach. It sets out a concise description of the situation as regards social protection in the Community, examining both features which are common to the various national systems and areas of divergence. It also described each system and its underlying philosophy and provides comprehensive data on the rates of benefit payable in particular cases which are regarded as especially indicative. Secondly, the report examines the changes that have occurred in the national systems since the early 1980s - the trends in expenditure on social protection and its funding. It also provides a review of the main changes in legislation with the aim of identifying the direction of policy in the Member States. Finally, the report considers a number of the most serious problems currently facing social protection systems.

Containing, as it does, a mass of statistics and supplementary evidence, the report provides an invaluable guide to social protection in the European Union and an essential starting point in considering the role of convergence.

"Social Protection In Europe" 1993
Commission of the European Communities, Directorate-General Employment, Industrial Relations and Social Affairs.
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L-2985 Luxembourg

Europe On The Move

**EUROPE
IN A
CHANGING
WORLD**

The External Relations Of The European Community

More than ever before in its history, the European Community has become a major actor in world affairs. It has been propelled into this position by external and internal factors. The collapse of communism in the former Soviet Union and in Central and Eastern Europe presents the Community with new challenges and new responsibilities. The pace of economic and political change in other regions of the world also calls for a rapid response.

Whilst the internal policies of the European Community are perhaps now better understood than in the past, there is still a lack of knowledge about external policies. In reality, the two cannot be separated, Europe is not, nor can it ever be, a self-contained fortress. Its economic performance is affected by changes in the level of world trade. Its political stability is closely tied to the political stability of its neighbours.

A new publication in the "Europe on the move" series of pamphlets provides a useful introduction to the external policies of the European Union. By considering both external economic relations and external political relations it provides a global picture of the role of the Union within a complex and ever-changing world. In particular, it focuses on a number of problems and challenges that face the newly created European Union in the final decade of the twentieth century. These include:-

- the challenge of protecting the new democracies of Central and Eastern Europe;
- the development of a common foreign and security policy as provided for in the Maastricht Treaty on European Union;
- the economic relations between the European Union and the other great trading powers in the context of the GATT Uruguay Round negotiations;
- the critical challenge of helping the developing countries achieve the basic standards and conditions that we take for granted.

With our understandable concern for the great internal issues - employment, social protection and industrial competitiveness - it is easy to lose sight of the fact that Europe will never solve its problems in isolation. This attractive and concise pamphlet helps to underline this important lesson.

"Europe In A Changing World: The External Relations Of The European Community"
Europe On The Move Series, Commission of the European Communities. October 1993.
ISBN 92-826-6046-X

STATISTICS

AVERAGE INFLATION RATES IN 1993

| Country | Inflation (%) | Country | Inflation (%) | Country | Inflation (%) |
|----------------|---------------|--------------|---------------|-------------|---------------|
| Germany | 4.1 | France | 2.1 | Italy | 4.2 |
| United Kingdom | 1.6 | Belgium | 2.8 | Denmark | 1.3 |
| Greece | 14.4 | Ireland | 1.4 | Luxembourg | 3.6 |
| Netherlands | 2.1 | Portugal | 6.5 | Spain | 4.6 |
| United States | 3.0 | Japan | 1.3 | Canada | 1.8 |
| Austria | 3.6 | Finland | 2.2 | Iceland | 4.0 |
| Norway | 2.3 | Sweden | 4.6 | Switzerland | 3.3 |
| Turkey | 66.1 | Australia | 1.8 | New Zealand | 1.3 |
| EUR12 | 3.4 | Source: OECD | | | |

UNEMPLOYMENT IN EUROPEAN UNION MEMBER STATES - DECEMBER 1993 (%)

| Country | Dec 1993 | Nov 1993 | Dec 1992 |
|-----------------------------------|------------------|----------|----------|
| Belgium | 9.8 | 9.8 | 8.7 |
| Denmark | 10.4 | 10.5 | 10.0 |
| Germany | 6.0 | 6.1 | 4.9 |
| Spain | 22.5 | 22.4 | 19.9 |
| France | 11.2 | 11.2 | 10.3 |
| Ireland | 18.5 | 18.4 | 18.3 |
| Italy | 11.5 | 11.4 | 10.6 |
| Luxembourg | 3.0 | 2.9 | 2.1 |
| Netherlands | - | 9.5 | 7.7 |
| Portugal | 5.5 | 5.2 | 4.3 |
| United Kingdom | 10.3 | 10.4 | 10.7 |
| EUR12 | 10.9 | 10.9 | 9.9 |
| Figures for Greece, not available | Source: EUROSTAT | | |

GDP OF EU MEMBER STATES - 1992

Figures are in terms of common purchasing Power Standards (PPS)

| Country | GDP | Country | GDP |
|------------------|--------|----------|--------|
| Luxembourg | 20,538 | Spain | 12,121 |
| France | 17,646 | Ireland | 12,029 |
| Belgium | 17,130 | Portugal | 10,532 |
| Denmark | 16,812 | Greece | 7,851 |
| Germany | 16,777 | EUR12 | 15,617 |
| Italy | 16,506 | USA | 22,255 |
| Netherlands | 16,061 | Japan | 18,771 |
| United Kingdom | 15,422 | | |
| Source: EUROSTAT | | | |

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