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CENTREFOLD

Measures in favour of the long-term unemployed

Directorate-General
Employment, Industrial Relations
and Social Affairs

DEVELOPMENTS AT A GLANCE

- Belgium** The new "Plan 1+1=3" favours LTUs younger than 40 years of age. (p. 8)
A new collective agreement has been concluded to regulate shift work and other forms of work comprising night work. (p. 13)
- Denmark** The Danish government is striving to increase the efficiency of placement by liberalizing placement activities and strengthening the public employment service. (p. 15)
- FR Germany** For the first time since 1980 the number of long-term unemployed has declined significantly. (p. 10)
Unemployed resettlers will start to receive an integration benefit instead of unemployment benefit. (p. 11)
An agreement between the Federal Republic of Germany and Hungary aims at, among other things, the development of a reformed Hungarian labour administration. (p. 16)
- Greece** The Greek government has extended the right to free collective bargaining and re-established the right to strike. (p. 1)
- Spain** The basis for calculating the contributions for unemployment and vocational training over the year 1990 has been re-established. (p. 1)
The government and two trade unions have reached an agreement concerning the improvement of the system of social protection and the labour market regulations for casual agricultural workers. (p. 4)
A new law on the educational system integrates basic and specific vocational training into the general educational system. (p. 5)
New vocational training and occupational integration measures for the benefit of the most disadvantaged will be integrated into *Plan FIP*. (p. 6)
- France** In 1990, *ROME*, the *ANPE* list of trades and professions, will be recasted completely. (p. 3)
The Ministry of Labour, Employment and Vocational Training intends, as one of its priorities in 1990, to promote the negotiated modernization of enterprises. (p. 16)
- Ireland** A new Manpower Forecasting Unit will be established to anticipate potential imbalances in the supply and demand for skilled labour. (p. 3)
The Social Employment Scheme is extended. The newly established Job Training Scheme provides young unemployed with work experience and training. (p. 11)
The Pre-Retirement Allowance scheme has been launched for persons aged 60 or over who have been in receipt of unemployment assistance for more than twelve months. (p. 15)
- Netherlands** The Temporary Employment Refund Scheme has come into force to provide LTUs with work experience and improve their chances for regular jobs. (p. 12)
Different ministries have agreed on the outlines of their activities aimed at integrating ethnic minorities into working life. (p. 13)
- Portugal** The Observatory of entries to working life (OEVA) published the results of interviews held among trainees who have followed specific vocational training courses. (p. 8)

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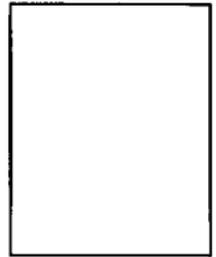
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OVERALL DEVELOPMENTS

Greece

New law on free collective bargaining

The Greek government has modified, renewed and modernized the legislation on collective bargaining, by promulgating Law 1876/90. Over the past few years, several dispositions of Law 3239/55 had been removed (e.g. the sanctions against strike actions) or invalidated.

The principal points of the new law are:

- extending the right to free collective bargaining - existing constraints removed;
- re-establishing the right to strike during the period of negotiations and during intervals trade unions have the right to strike, except when this right has been suspended by an already existing collective agreement;
- abolition of compulsory arbitration, as provided for in Law 3239/55.

Arbitration tribunals removed are to be replaced by a body of arbitrators endowed with great authority. Arbitrators' decisions cannot be contested. Law 1876/90 foresees that arbitration is made with the agreement of the parties, but submitting a dispute to arbitration is also possible for:

- one of the parties, if the other has refused such an appeal during an interval;
- the trade unions, in case the employer refuses to accept a proposal of the mediator (*Messolavitis*);
- one of the parties, during a collective agreement in public utilities, in case one of the parties refuses to accept the proposal of the mediator.

During collective bargaining there is no suspension, nor any restriction of the right to strike, except when the suspension is agreed to voluntarily. This could be the case if the workers themselves ask for arbitration, but only for a maximum period of ten days. The arbitrator is appointed with the agreement of all parties. If this

agreement cannot be reached the arbitrator is decided on by drawing lots. It should be added that the arbitrator's decision has the validity of a collective agreement.

With respect to the interval before arbitration is made, it must be noted that if the negotiation cannot be concluded the parties concerned can ask for the mediator's help. This procedure is regulated by the clauses which are included in collective agreements or with the agreement of the parties. The mediator is drawn from a list with the agreement of the parties or decided on by drawing lots. If the mediator's proposal is accepted by the parties concerned it gets the value of a collective agreement. With any disagreement concerning working relations, even if it is not a subject of a collective agreement, the parties concerned can turn to a reconciliator which is employed by the Ministry of Labour.

Summarizing, the essential points are:

- arbitration is not compulsory;
- the right to strike during the negotiations is authorized;
- the State can no longer intervene;
- the social partners have "legislative activities", but cannot oblige parties to sign an agreement (respect for the freedom of bargaining).

Questions concerning retirement cannot be dealt with in collective agreements, because the Greek Constitution does not allow such an important matter to be the subject of an agreement or disagreement between employers and workers. The workers have the right, according to paragraph 5 of the law, to negotiate on the thrusts of the enterprise's policy. By this provision the trade unions will have an important role to play from now on.

The law is progressive compared with the present legislation. It is an important step in common law in Greece.

Spain

Contributions for unemployment and vocational training

The determination of social security contributions in Spain depends on the security categories involved. In general a distinction can be made

between common categories and some particular categories, which are unemployment, vocational training, and occupational diseases and accidents.

The system currently applied of wage deduction,

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which finances the unemployment allowances, was introduced on 1.10.76. The contribution system, which finances vocational training schemes, was established on 19.11.78. The proceeds of the last contributory system are destined to cover the expenses of the vocational training schemes for which the Ministry of Labour and Social Security (*MTSS*) is responsible and which are carried out by the National Employment Institute (*INEM*).

The basis for calculating the contributions for the common categories corresponds with the real salary of the employee, as long as this salary does not exceed the lower and upper limits established for this purpose for each professional category. To determine the contributions for the particular categories stated above the real salary of the employee also forms the basis, but the upper limit applies to all professions. The amount is corresponding to that of the highest category (of engineers and university graduates). For 1990 the upper limit has been fixed at a monthly salary of

PTA 291,540. This represents an increase of 5.7% compared to 1989.

The contributions which finance the unemployment allowances, both under the contributory scheme and the assistance scheme, have not been changed since 1984. The rate amounts to 6.3%, of which 5.2% is due to be paid by the employer and 1.1% by the employee. (cfr. BIR Spain iii.1/2)

The contribution for vocational training in 1990 amounts to 0.7% of the real wage; 0.6% is to be paid by the employer and 0.1% by the employee. These rates have been applied since 1.1.86. It has to be observed that since the introduction of the current way of financing, the total rate has fluctuated substantially.

This development in the rates of contributions does not reflect the expenditure for vocational measures. While the rates have been kept within a certain range, the expenditures have increased sharply.

Table 1:
Rates of the vocational training contribution in Spain

19 October 1978 - 31 December 1981	0.80%
1 January 1982 - 31 December 1982	0.60%
1 January 1983 - 31 December 1984	0.50%
1 January 1985 - 31 December 1985	0.22% (1)
1 January 1986 -	0.70%

(1) In 1985 the amount was considerably lower, due to an exceptional contribution which was established by the Economic and Social Accord (*AES*). This contribution was to benefit the Solidarity Fund for Employment (*Fondo de Solidaridad para el Empleo*). It amounted to 0.56%, equally shared by employer and employee. (cfr. BIR Spain Chap.II.2.3)

Table 2:
Development of expenditure for vocational training in Spain:

1985	PTA 15,305 million
1986	PTA 47,710 million
1987	PTA 79,214 million
1988	PTA 105,520 million

The vocational training measures are not just financed by the contributions of employers and employees (both in private enterprises and public services), but also (co-)financed by the State Budget and, in certain cases, by the European Social Fund.

France

New ANPE list of trades and professions

ROME, the list of trades and professions, is an information system created by the National Agency for Employment (*ANPE*) in 1975 and updated in 1981. On the one hand it enables an operational classification to be made of job vacancies and requests, and, on the other, it provides a common language between *ANPE* and enterprises.

Redefining *ROME* became indispensable, due to the new economic and social context, the developments of new technologies and new jobs, and new forms of organizing work. 1990 will be the year devoted to completely recasting this tool. In its present form, *ROME* comprises about 1150 types of jobs, grouped in 42 "professional sectors" (such as agriculture, construction, engineering, public service, etc.). In the future *ROME* will be constructed using the principle of a tree diagram: each job offered or requested will be placed in a *catégorie socioprofessionnelle (CS)* (such as personnel for light industry, industrial management, administration, hotel and catering, etc.). Each *CS* corresponds to a certain number of areas (*DOM* - such as textiles-clothing-leather, electric and electronic manufacturing, engineering, the hotel business, catering etc.). In its turn, each area corresponds to more limited "trades and professions" than in the present *ROME* (cook, chef de rang, etc.). Finally, to each profession or trade there is a corresponding list of specific requirements an individual does or does not meet or which the employer can demand.

ROME consists of 20 *catégories socioprofessionnelles*, 65 *DOMs* and 600 to 800 professions/trades.

The new *ROME* is designed as a computerized and evolving instrument. It consists of a "dictionary" and an "encyclopedia".

The "dictionary" is composed of files on trades and professions which are entered by area, and of an alphabetical index which groups all designations of trades or professions, accompanied by a short definition.

The "encyclopedia" constitutes a source of infor-

mation for major economic sectors, for the benefit of *ANPE* officers and other users (enterprises, training bodies, vocational guidance centres etc.).

ROME is being re-designed in close cooperation with *ANPE* staff, of whom 60, together with 20 external collaborators from universities, research centres, researchers, consultants, etc., have been assigned to the task.

The methodology has been developed around the following points:

- literature and statistical research in the field studied;
- direct observation within enterprises of job-holders and of recruitment others;
- editing the profession and trade files and the index files;
- evaluation of the files by professionals and potential users.

The role of professionals is essential at two stages in the course of the project:

- In the observation stage there are talks with those responsible for recruitment and job-holders to find out the real contents of jobs (used skills, qualifications required, the specifics of different jobs), as well as recruitment practices and occupational mobility.

This stage of concrete information collection also includes developing a common language which is accessible to and useful for all actors on the labour market. This common language also enables the changes in and evolution of the content of jobs to be evaluated.

In the evaluation stage, these individual data gathered by direct contact with the workers will enable the main principles of the jobs studied and the specifics of different forms of work organization to be set out. The following stage is editing the files and check the relevance of the elements selected by presenting them to experts from the professional sectors involved for a critical assessment.

Redesigning *ROME* also offers the opportunity of creating "satellite tools", which enable the evaluation and guidance instruments offered to *ANPE* clients to be improved.

Ireland

New manpower forecasting facility

The Minister for Labour has recently announced the establishment of a new Manpower Fore-

casting Unit which is to be operated as a joint venture between the National Training and Employment Authority (FAS) and an independent research organization, the Economic and

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Social Research Institute (ESRI).

The rationale behind this initiative is that in a period of strong economic growth, it is essential to assess and plan for future skill needs if the economy is not to be held back by skill shortages. The Manpower Forecasting Unit will help to identify occupational requirements and to anticipate potential imbalances in the supply and

demand for skilled labour. One of the principal ways in which it will do this is through applying the ESRI's macro-economic model to help generate occupational and sectoral forecasts. The Unit will also ensure that in preparing forecasts, all relevant variables are taken into account, including the prospects for economic growth and structural change, trends in productivity and technological developments.

AID TO THE UNEMPLOYED

Spain

New agreement on "agricultural allowance"

The government and two trade unions, the *Unión General de Trabajadores* and *Comisiones Obreras*, have reached an important agreement concerning the improvement of the system of social protection and the labour market regulations for casual agricultural workers. The most important elements of this agreement are described below.

Reform of the agricultural allowance scheme

The Unemployment Allowance Scheme for Casual Agricultural Workers will be reformed. This scheme has been in force since 1984 in the Autonomous Communities of Andalusia and Extremadura, because of the exceptionally high level of unemployment in those regions (cfr. BIR Spain iii.3 and iM 25). The reform runs along three major lines:

1. The allowance will be varied according to the family circumstances of the unemployed worker. So far only the individual circumstances of the worker were considered. Now the aid is limited according to the total income of the household unit and is graduated according to family responsibilities.
2. The amount of the allowance is weighed according to the age of the unemployed worker. It will be increased for the older workers, considering that finding new employment is particularly hard for this group.
3. The exemption regulation of the scheme, so far applying to workers over the age of 55, will be extended to workers of 52 and older. These workers who do not meet the requirement, in accordance with the general regulations, of contributory employment for a minimum of 60 days during the previous year are eligible

for the benefit, if they satisfy three specific conditions (cfr. iM 25):

- if, at the moment of the claim, they satisfy all conditions, except that of age, entitling them to a retirement pension;
- if they have contributed to the Special Agricultural Social Security System (*Régimen Especial Agrario de la Seguridad Social*);
- if they have been entitled to the allowance during the last five years.

Working party on hiring practices

It has been agreed to set up a working party to study the hiring of casual agricultural workers and to table proposals for measures to be taken. These measures should focus especially on formalizing contracting and providing verifiable documentation.

Additional regional employment plans

Granting PTA 3.75 billion is envisaged for carrying out special employment plans in economically underdeveloped rural zones in Autonomous Communities other than Andalusia and Extremadura. In these two Communities the Rural Employment Plan is in force (cfr. BIR Spain v.11), as is the agricultural allowance scheme. These new plans will be set up as public employment programmes, in cooperation with the regional and local authorities, in various regions (*comarcas*) of the Autonomous Communities of Murcia, País Valenciano, Castilla-La Mancha and Castilla y León.

Tripartite system

A tripartite system of institutional participation at the regional level has been designed, in order to control the programmes on social protection, employment promotion and vocational training for casual agricultural workers. Public administration, employers and trade unions will form a Regional Employment Council (*Consejos*

Comarcas de Empleo), under the authority of the provincial executive committees of the National Employment Institute (*INEM*). This institutional participation will not be restricted to the regions in which agricultural allowances are granted, but will also be set up in those where the special employment plans are to be implemented.

Working party on reforming the system

A working party will be set up to study the reform of the Special Agricultural Social Security System. All interested parties, governmental and non-governmental, will participate.

Vocational training courses for those under 25

Unemployed persons under the age of 25 who are affected by the modifications of the Unemployment Allowance Scheme for Casual Agricultural Workers in Andalusia and Extremadura, will be

guaranteed access to vocational training courses of at least 250 hours.

In general a contributory employment of at least 60 days per year is required to receive the agricultural allowance. Young persons, however, who are no principal wage earners, from 16 to 19 years of age must have worked for 120 days and young persons from 20 to 25 years of age must have worked for 90 days. By way of compensation they are offered to follow these courses. The above-mentioned guaranteed access includes the granting of a training allowance.

TRAINING

Spain

Reform of vocational training

The Spanish educational system last underwent a general reform in 1970. The law which sanctioned it (the 1970 General Education Act; *Ley General de 1970 de Educación y Financiación del Sistema Educativo*) and which is still largely in force at the secondary, primary and kindergarten levels, will be replaced by the new Law on the General Regulation of the Educational System (*Ley de Ordenación General del Sistema Educativo - LOGSE*).

The bill has recently been approved by the Council of Ministers and submitted to Parliament for its final approval. It can be regarded as the culmination of a carefully planned process of overall reform of the Spanish educational system. The proposals of the Ministry of Education and Science have been the starting point for both the Autonomous Communities and the General Council for Vocational Training (*CGFP*) as well as the parents' and pupils' organizations to have a say in this reform. The *CGFP* is an advisory body to the government consisting of public administration (education and labour) and social partners' representatives (cfr. BIR Spain iv.3 and iM 15). Finally there has been close cooperation with the Ministry of Labour and Social Security. (For the background of the reform cfr. iM 23)

Changes in the secondary education: basic vocational training

Vocational training is one of the areas most affected by the changes proposed by the reform. But to set the proposed new structure of the vocational training system in its context, the following changes at the level of secondary education have to be outlined first:

1. the age limit for free compulsory education will be raised from 14 to 16 years, to make it coincide with the minimum age at which a person may enter the labour market;
2. the new configuration of the secondary education system, envisages a two-stage scheme:
 - compulsory secondary education, from 12-16 years of age, consisting of two cycles of two years each. During the second cycle all pupils will receive basic vocational training.
 - general secondary education (*bachillerato*), of two years' duration, after 16 years of age. During this phase the pupils receive a broadly based vocational training, representing a set of knowledge, skills and basic capacities which are common to a wide range of occupations and techniques.

In this way, basic vocational training is being integrated into the general secondary level education, both in compulsory schooling and the *bachillerato*.

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Specific vocational training

To this basic vocational training a subsystem of "specific vocational training" (*formación profesional específica*) has been added. This is defined as the set of abilities, knowledge and skills needed to exercise a more or less broad range of related jobs. It is placed between basic vocational training and on-the-job training, and will include periods of traineeship in *centros de trabajo*, workplaces which have been recognized by the Ministry of Education for this purpose.

Specific vocational training comprises two levels, a medium and an upper level, which correspond to levels 2 and 3 established by the European Community. It is structured by way of "vocational modules". The aim of the level 2 modules is to provide a well-rounded qualification which is specifically directed at practicing a profession/occupation, including the skills needed to use the tools and techniques pertaining to that profession/occupation. Level 3 modules are aimed at providing a full qualification which enables a person to assume responsibility for coordination and/or planning tasks (cfr. iM 23).

The reform brings in a new vocational training structure. On the one hand it embraces the "basic" and "specific" types of vocational training mentioned above, which take the place of the current "regulated" vocational training (cfr. iM 15); this is provided by the educational system. On the other hand, it includes the practical vocational training -including recurrent training- which is managed by the labour administration (cfr. BIR Spain iv.1.5b).

Implementation

The programmes of the two administrative systems (Education and Labour) will be coordi-

nated through a set of coherent mechanisms. In addition the following actions will contribute to the necessary coordination:

- the regulation that regards practical vocational training of equal value to the vocational training provided by the educational system;
- the regulation of the system of permanent education for adults;
- the approval by the Government of a National Plan to Investigate the Needs of the Labour Market (*Plan Nacional de Prospección de Necesidades del Mercado de Trabajo*), which will include a National Programme of Vocational Qualifications (*Programa Nacional de Calificación Profesional*) for those seeking employment and the establishment of a Permanent Observatory for the Trends of Occupations (*Observatorio Permanente de Evolución de las Ocupaciones*, cfr. iM 28).

The objective of the qualifications programme is to investigate the level of training that the citizens receive all along their working life, in order to facilitate guidance of their career and to plan the supply of training.

The Permanent Observatory for the Trends of Occupations will keep track of related vocations, so that the development and structure of the labour market is under continuous surveillance, the occupational contents of the vocations are identified, and quantitative and qualitative training needs can be foreseen.

All these aspects included in the bill will subsequently be given further form in the National Vocational Training Programme (*Programa Nacional de Formación Profesional*) which will have to be worked out by the CGFP.

Spain

Improvements of Plan FIP for the most disadvantaged

As a result of recent negotiations between the government and the social partners, a plan has been drawn up for the benefit of those persons who are experiencing the greatest difficulties in entering the labour market. It consists of specific vocational training and occupational integration measures. These measures will be authorized in a forthcoming Royal Decree on the National Training and Vocational Integration Plan, *Plan FIP* (cfr. BIR Spain iv.1 and iM 26 for the latest alterations).

The new measures will result in intensifying

existing policy in this area, which has been one of the priorities of *Plan FIP* since its approval in 1985. The Plan covers all vocational training carried out within the ambit of the Ministry of Labour and Social Security. Two factors will contribute to this intensification:

- a clearer definition of the target groups and the goals assigned to each of them in their respective programmes;
- the improved institutional support resulting from closer and more efficient coordination between the ministries of education and of labour.

Vocational training and integration measures
The measures which benefit the worst off catego-

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ries of employees (persons without any certificate or with very low qualifications) are linked with both the recurrent and the catching-up educational programmes of the Ministry of Education and Science, and the programmes of practical vocational training of the Ministry of Labour and Social Security (especially those pertaining to the *Escuelas Taller* and *Casas de Oficios*, the workshop schools and youth training centres; cfr. BIR Spain iv.2 and iM 22).

The complete list of programmes specifically for the most disadvantaged categories of employees is as follows:

1. For young persons under 16 years of age who failed at school:
catching-up programmes, combining basic education and vocational guidance (cfr. BIR Spain iv.1.3a). The aim will be to obtain the primary school leaving certificate (*Titulo de Graduado Escolar*) or facilitate the integration of this group into the educational system.
2. For young persons between 16 and 18 years of age, who have no primary school leaving certificate or a first level vocational training certificate:
Recurrent Education Programmes for Adults (*Programas de Educación Permanente de Adultos*), intensification of the existing vocational training programmes for young people and social work, especially by making use of the *Escuelas Taller* and *Casas de Oficios* programmes. The aim will be to obtain the primary school leaving certificate or the first level vocational training certificate, or become apprenticed to a trade/occupation.
3. For young persons between 18 and 25 years of age who do not have a primary school leaving certificate or a first level vocational training certificate:
Recurrent Education Programmes for Adults with priority being given to training contracts with officially approved curricula, the *Escuelas Taller* and *Casas de Oficios* programmes, and training programmes during military service (cfr. BIR Spain iv.1.3c). The aim will be to obtain the primary school leaving certificate or the first level vocational training certificate, or integration into the labour market.
4. As for the long-term unemployed who have not completed primary school, there will be a doubling of efforts:
an increased supply of Recurrent Education Programmes for Adults and of vocational training programmes, in accordance with labour market demands, as well as vocational guidance campaigns directed at this category.

5. As regards women with very low levels of qualifications, a new programme of vocational training will be established for those wishing to reintegrate into working life after a long interruption. At the same time the measures directed at occupations where women are specially under-represented (cfr. BIR Spain iv.1.6) will be strengthened, by linking the courses to the Recurrent Education Programmes for Adults.
6. A special training plan will be implemented for workers in the agricultural sector, with special attention being given to persons under 25 years of age (cfr. "New agreement on agricultural allowance" in this edition).

Agreements on organizational measures

As a result of the negotiations between the government and the social partners referred to above, a set of related measures will be put into action. The most significant are:

1. The regulation -within the framework of the Law on the General Regulation of the Education System (*LOGSE*) and its further normative development (cfr. "Reform of the vocational training" in this edition) - by which knowledge acquired through practical vocational training and through work experience on the one hand is regarded of equal value to knowledge acquired through vocational training, which is provided by the general education system, on the other hand.
2. The adoption of a National Plan to Investigate the Needs of the Labour Market, which guarantees the adjustment of programming of the different vocational training schemes to these needs. This plan will include a National Programme of Vocational Qualifications, as well as the establishment of a Permanent Observatory for the Trends of Occupations (cfr. "Reform of the vocational training" in this edition).
3. The creation of a body, to be provided with its own financial resources and connected with the General Vocational Training Council (*CGFP*; cfr. BIR Spain iv.3), which will carry out studies on the needs for vocational training.
4. The participation of the social partners in following the programmes of the European Social Fund. This will be realized by their being represented on the observing committees for each of the support programmes of the Fund in which the Spanish administration and the European Commission participate.
5. The collaboration of the social partners in

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carrying out the *Plan FIP* by means of triennial programme contracts, that include agreement on objective quality control mecha-

nisms and on mechanisms for monitoring implementation.

Portugal

Observatory of entries to working life - new results

To increase knowledge of the links between the training received and the occupation held, interviews have been made since August 1987 by the Observatory of Entries to Working Life (*OEVA*) of trainees who have followed specific vocational training courses. (For information on *OEVA* and the results of a former study, see iM 22.)

The survey concerns occupational training courses for young people and adults which last at least 100 hours, in sectors such as in textiles in-

dustry, information technology, administration and engineering. These courses are organized by State centres as well as by autonomous permanent vocational training centres (*centros protocolares*), of which the managing board is chaired by the Institute for Employment and Vocational Training (*IEFP*) (cfr. BIR Portugal Chap.1.2). The surveys of ex-trainees have been systematically made nine months after they had finished their training. Of those who have finished the training in the first semester of 1988, 1278 persons have been questioned. Their situation on the labour market is as follows:

	Employed	Unemployed	No response and alike
Before the training	51%	19%	30%
After the training	56%	17%	27%

As far as the relationship between the training received and the occupation held is concerned, the survey shows that 57% of those who qualified have no problems in adapting to the jobs they hold afterwards. Of the former trainees 40% judged the training to be good or quite good; 45% felt that the training was too short. More than 50% of the trainees have increased their income

as a result of the training.

Parallel to these studies, similar research is being carried out among former apprentices. The results of this research is currently being analyzed. In addition, interviews will be held this year among the employers of these apprentices.

SPECIAL CATEGORIES OF WORKERS

Belgium

Reintegration of long-term unemployed

For the last five years, the number of unemployed has been regularly decreasing in Belgium, due to both the improved economic situation and changing demographic trends. Not all categories of the unemployed are equally affected by this drop in unemployment. Many of them have become bogged down in unemployment. Almost

two-thirds (64%) of the unemployed have been out of work for more than one year.

On the other hand, it can be foreseen that in the years to come economic growth will lead to increased employment and that this increase will even exceed the growth of the working population. This means that demand for workers will only be met by taking on the unemployed.

Aiming to maximize the chances for reintegra-

ting LTUs the Minister for Employment and Labour has taken the initiative of organizing a Round Table with the participation of the public authorities (at the national, regional and community levels) involved and the social partners. This Round Table has led to the signing on 12.3.90 of a joint programme, the so-called "Plan 1+1=3". This agreement lays down a set of actions for the unemployed who have been out of work for more than one year and are younger than 40 years of age. In the beginning the programme will be focused at 100.000 unemployed persons who are younger than 35 years of age.

Principles of the plan

The programme consists of a set of actions for the vocational reintegration of LTUs, to be carried out in synergy by all the partners. Certain actions will be implemented by all parties together, others by two or three partners, or even individually. The actual meaning of the 1+1=3 formula is that harmonizing all efforts will increase the results to exceed the simple addition of the sum of all the individual efforts.

During the negotiations it was noted that many measures, ideas and initiatives were already in existence, but that they had to be better exploited and, above all, to be focused on high risk groups of the unemployed.

One of the ideas of the Round Table is to make better use of unemployment allowances by encouraging the beneficiaries to take up training, for LTUs have lower qualifications compared to the average population of the same age.

In the same vein the prime concern of the participants was to re-evaluate measures already existing by checking whether the measures are always intended for high risk groups and, if this is no longer the case, to reorientate them towards these groups. Their concern was also to optimize the mechanisms or procedures that have not worked efficiently (improve information exchanges between the central Government, the Regions and the Communities; exchange job vacancies between the Regions; review regulations concerning the transmission of job vacancies by employers, etc.).

Finally, working together has updated new ideas that should be developed or further studied. These include the decision to modify regulations by one of the Ministers of Education, in order to arrange training projects for the higher risk unemployed, studies and exchanges of statistical data, joint documentation on employment, and information to be provided by schools to facilitate jobsearch.

Main thrust of the plan

In the first place, each authority (at the national,

regional or community levels) should define, according to its specific competence, new possibilities of reintegration, either by reorientating existing measures, broadening them or creating new ones. To this end, each party committed itself to reviewing, within three months, how well the measures match the current make-up of the high risk groups and to reorientating its measures, should this be found to be necessary.

An information campaign will be launched to inform the unemployed of the new possibilities. Depending on the progress of the different reintegration projects and the qualifications which the labour market demands, individual appeals will be made for particular groups.

After having given the unemployed some time to choose on their own an appropriate reintegration measure and after having presented them with the possibilities of vocational training or programmes to motivate them to find employment, an evaluation will be carried out which should lead to a decision on granting unemployment allowances to those who continue to show no interest in their reintegration.

To provide an overall framework for these actions and to strengthen them, other actions will be undertaken. In this context, the social partners committed themselves to pay special attention to training for these risk groups in their next central agreement.

On his side, the Minister for Employment and Labour committed himself to modifying the regulation on alternate training (cfr. iM 18). The Regions announced their intention of improving the exchange of information about job vacancies. The Communities will try to ease the transition from school to work by intensifying their information dissemination about the contents of occupations and to revise educational programmes in the light of the labour market. In the same way, the Communities and social partners will jointly determine the level of qualifications that should be reached at the end of the studies.

To ensure the necessary financial support, the principles and modalities for establishing a "Round Table Fund" will be examined, based on the following ideas:

- the national government should regularly feed into a Fund a certain percentage of the amount spent on unemployment allowances for the LTUs who would have been hired and maintained for a period within the bounds of an employment contract (other than the ones concluded within the framework of the programmes of resorbing unemployment) by means of the integration actions of the social partners in *Plan 1+1=3*;
- in line with modalities to be determined, the

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proceeds of the Fund should be distributed among the projects which are aimed at the integration of LTUs; these projects should be organized on the initiative of the Regions or the Communities.

Follow-up of the Round Table

A steering committee, consisting of the Minister of Employment and Labour and the competent regional and community Ministers, will ensure the follow-up of the Round Table. A first evaluation of the results of *Plan 1+1=3* will be made in September.

FR Germany

Significant decline in long-term unemployment

For the first time since 1980 the number of the long-term unemployed (LTUs) has significantly declined. Between September 1988 and September 1989, the number of persons unemployed for more than one year declined by 93,400 (14%) to 591,300. In the group of persons unemployed for between one and two years there was a reduction of 18% to 276,800. The group of those unemployed for more than two years was reduced by 9.4% to 314,500.

The drop in the number of LTUs under the age of 25 was particularly sharp: by 20,700 (45%) to 25,500, due, among other reasons, to the receptive market of training places.

Three reasons in particular are responsible for the reduction in numbers:

- the economic boom;
- the activities of the employment offices, including the special programme of the Federal Government;
- the information campaign of the Federal Employment Services on reintegrating LTUs.

However, the extent of long-term unemployment remains high with a more than 30% share of the total unemployment rate. In particular the unemployed who are particularly difficult to place because, for instance, they are older, have physical disabilities or lack qualifications, face problems.

The Federal Government's employment incentives for combating long-term unemployment have got off to good start. Under this programme, employers who employ LTUs can be reimbursed up to 80% of the wage costs in the first half year of employment, and 60% in the second half year. Between the introduction of the programme on 1.7.89 and the end of January 1990, it enabled

17,800 LTUs to be employed (cfr. iM 27). A further 2,700 requests were being processed.

For the programme, which will run until 1991, an amount of DM 1.5 billion has been made available. This amount should provide employment for 60,000 to 70,000 LTUs. However, the course of the programme so far can be criticized. Large enterprises in particular, as well as the public sector, have scarcely made use of it. This is all the more regrettable since there are well qualified staff among the LTUs. 272,900 LTUs have completed their vocational training, 137,700 are younger than 35 and 385,300 have no health impediments.

Centrefold

Measures in favour of the long-term unemployed

The comparative table presents brief descriptions of those measures which are (merely or also) targetted at persons who have been unemployed for 12 months or more. The measures are categorized as follows:

- I. Encourage, improve and assist in job-search
- II. Reactivate and raise skills
- III. Subsidies for job creation and new enterprises
- IV. Direct job creation in the non-profit sector
- V. Particular categories and initiatives

The references in parenthesis refer to:

- the year in which the measure was established,
- more detailed descriptions in the Basic Information Report (BIR) of the countries concerned (editions published in 1886-1988), and/or
- issue numbers of inforMISEP in which articles about the measures were published.

I. Measures to encourage, improve and assist in job-search

- 'Weer-werk actie' - Flanders ('89; iM27): Orientation phase (individual counselling and looking for possible openings for the job-seeker). Reintegration phase (aimed at employment or a training place).
- Jobclubs - Flanders ('87; iM21): Training and counselling service.
- Individual counselling ('88; iM22 and 24): Every 3 months information and guidance initiatives are strengthened. Prevention of LTU through an 'Inspiration course'.
- Promotion of vocational training (AFG) ('69; iM16).

II. Reactivate and raise skills

- A contribution of 0.18% of gross wages in 1989 and 1990 to the Employment Fund is established (iM26): The Fund will support employment and training activities, with priority being given to the groups at risk among the unemployed.
- *Plan 1+1=3* ('90; iM30): Maximizing the chances for reintegration.
- Job Offers to Unemployed Persons ('81; DK-iii.5): Retraining and maintaining the working capacity by offering a job at an ordinary workplace. Duration: at least 7 or 9 months. Private and public sectors. Wage cost subsidy.
- Training allowance ('85; DK-i.2.4): Alternative for Job Offer. Education or vocational training.
- Work introduction courses ('85; DK-vi.1).
- Vocational training ('86; iM14): Guidance and encouragement for work.

III. Subsidies for job creation and new enterprises

- Temporary reductions in social security contributions when hiring certain workers ('88; B-v.5).
- Enterprise allowance scheme ('85; DK-1.3): Participate in special courses.
- Fostering measures to create jobs for older workers ('69; D-v.2): Additional employment. Wage cost subsidies. Public and private organizations.
- Wage cost subsidies for employers who take in LTUs ('89; iM27): Employment with unlimited contract. Subsidies proportionally to the period of unemployment.
- New approaches to labour market policy ('86; iM27): Employment of most-difficult-to-place LTUs. Subsidies covering investments, organizational costs and specialized personnel. Organizations providing occupational skills and take care of LTUs socially.
- Job creation programmes by O.A.E.D ('86; iM13): Grants are given for 12 months to enterprises which have not dismissed anyone in the 3 months preceding the hiring.

IV. Direct job creation in the non-profit sector

- Third Work Circuit ('82; B-v.1): Creation of jobs in non-market sectors which meet community needs. Open-ended employment contract. Region concerned takes charge of the remunerations and social contributions; reimbursement for employer.
- The Interdepartmental Fund for Employment Promotion ('82; B-v.2): Grants to the non-market sector.
- Grant-aided 'contractuals' working for local and provincial authorities ('86; B-v.9): Open-ended or fixed-term employment contracts. Employer is dispensed from employer's social security contributions and receives a grant.
- Grant-aided 'contractuals' working for specified public authorities ('88; B-v.10): Open-ended or fixed-term employment contracts. Employer is dispensed from employer's social security contributions and receives a grant.
- *TOP Plan* Flanders ('88; iM23): Employment through the 'T-service', temporarily replacing those who take a career break.
- Fostering general job creation measures (ABM) ('69; D-v.1): Projects of public interest; no compulsory tasks. Wage cost subsidies and/or loans. Public and private organizations.

V. Particular categories and initiatives

- Local employment agencies ('87; B-iii.15): Carrying out odd jobs for, and paid by, individuals and non-profit associations.
- Financial support for difficult to place unemployed (B-iii.10).
- Creation of Round Table on Social Responsibility on national, regional and local level ('89; iM27 and 28): Participants: trade unions, employers, churches, welfare associations, training, cultural and sporting bodies. Aim: Enhance exchange of information and coordinate planned activities.

I. Measures to encourage, improve and assist in job-search

● Vocational qualification and orientation plan by *INEM* ('90; iM30): Counselling, identifying experience and skills and improving qualifications.

● Individual counselling ('83; iM2). Jobclubs ('89; iM25): Techniques for job-hunting and approaching the local labour market, in particular for those leaving a training programme and those who do not come under a special training programme.

● Jobsearch programme ('87; IR-vi.7): Improving job-searching skills and priority access to training and employment schemes.

II. Reactivate and raise skills

● National training and vocational integration plan (*FIP*) ('85; ESP-iv.1 and iM26): Training in basic skills, vocational retraining or further training. Bursaries and aids to participants, depending on age and family dependents. Subsidies to training centres.

● Practical work contracts ('84; ESP-v.4): Employment of skilled persons, to improve and acquire their vocational practice, and of persons with no qualifications, to acquire occupational training. Paid work. Duration: between 3 months and 3 years. Reduction of 75-100% in employers' contributions to the general system of social security.

● Integration and training actions (*AIF*) ('89; F-i.2 and iM28): Personal training with the possibility of traineeships in enterprises and of training units. Remuneration and social protection paid by State and *ASSEDIC*. Agreement between *ANPE* and training organization. Reduction of 50% of social employers' contributions for one year for each trainee offered a contract.

● Traineeships for 'single women' ('89; iM28): Training or formation or reconversion. Mothers whose husband is a LTU. Remuneration paid by State. Agreement between State and training organization.

● Building on experience programme ('85; IR-vi.9): Alternating training: formal and practical. Duration of 6 months. Training allowance from FAS.

● Vocational Training Opportunity Scheme ('89; iM28): Training opportunities without fore-going social welfare entitlements.

● Educational Opportunity Scheme ('86; iM16 and 24): Full-time education for one year while still claiming unemployment payments.

III. Subsidies for job creation and new enterprises

● Contracts for workers aged over 45 years old ('83; ESP-v.7): Permanent contracts. Subsidy plus a reduction of 50% in employers' contributions to the general system of social security.

● Hiring of women in sectors where they are under-represented ('86; ESP-v.9): Permanent contracts. Incentive.

● Employment promotion in co-operatives, workers' companies and of self-employment ('86; ESP-v.14 and v.15): Financial and technical support for training and subsistence income.

● Promotion of local employment initiatives ('86; ESP-v.16): Financial and technical support, for permanent employment, or for hiring agents for local development.

● Return to work contracts (*CRE*) ('89; iM29): Open-ended or fixed-term employment contracts with possibility of training. Employers, members of *UNEDIC*, who have not dismissed anyone in the last 12 months. Tax reductions, financing of training, employer fully exempt from employers' social security contributions for 18 months.

● Departmental subsidy, complementing the aid to job-seekers who create enterprises ('80): Financial support.

● Employment incentive scheme ('77; IR-v.1): Recruitment for jobs of a stable nature. Enterprises in all sectors except public sector and financial organizations. Specially targeted on LTUs and early school-leavers. LTUs secure a subsidy premium of one-third.

● Part-time Job Incentive Scheme ('86; iM16 and 24): Part-time jobs of under 24 hours a week. Income supplement.

● Special employment programme in favour of long-term unemployed youths ('86; I-vi.5): Training-work contracts. Public and private sectors. Wage-cost subsidy and additional subsidy for hiring LTU on open-ended contract.

● Grants-in-aid for new recruitment ('88; iM22): Open-ended employment contracts. Manufacturing companies (SME). Grant-in-aid and additional subsidy.

IV. Direct job creation in the non-profit sector

● *INEM*-public administration accord ('85; ESP-v.10): Contracts or service of public interest. Wage cost subsidies. Public sector.

● Employment Solidarity Contracts (*CES*) ('89; iM28 and 29): Reintegration into the working population by working on projects which are beneficial to the community. Public sector and non-profit organizations. Fixed-term contracts. Remuneration on the basis of *SMIC* aid by the State. Employer fully exempt from employers' social security contributions.

● Social Employment Scheme ('87; IR-vi.8 and iM30): Work on projects which are socially and culturally beneficial to the community. 2¹/₂ days per week for up to one year. Public sector and voluntary organizations. Individual grant plus possibility of subsidy for sponsor.

V. Particular categories and initiatives

● Protection system for LTUs ('89; iM26): Lowering age limit to 52 years to qualify for an indefinite extension of unemployment assistance. Special payment for 6 months to LTUs over the age of 45 who have been registered as unemployed for more than 2 years. Prolongation of current maximum duration of unemployment assistance to 30 months.

● Pre-Retirement Allowance Scheme ('90; iM30): Allows LTUs over 60 to retire from labour force and receive a weekly allowance instead of unemployment payments. Allowance is payable until participants reach pension age. Scheme is voluntary in nature.

I. Measures to encourage, improve and assist in job-search

- Counselling interviews ('87; iM22): Individual interviews and action plans fostering integration into the labour market.

- Jobclubs ('73; UK-iii.07): Training sessions for conducting successful jobsearch and use of facilities.
- Restart ('73; UK-iii.5 and iM 13): Placement and training for re-entering the labour market.

II. Reactivate and raise skills

- Temporary Minimum Wage Scheme (*WTVM*) ('89; iM27): Exoneration from paying the statutory minimum wage for employees undergoing schooling and training.

- Temporary Employment Refund Scheme (*VU*) ('90; iM29 and 30): Providing LTUs with work experience through the temporary employment agency system. Private and public sectors. Wage cost subsidy.

- Vocational training ('88; iM23): Conditional grants.

- Employment Training ('88; iM21 and 23): Contracts with employers, local authorities, voluntary, education and training organizations. Temporary employment and training. Personal action plan and training managers. Additional training allowance plus bonus rising progressively according to period of training.

III. Subsidies for job creation and new enterprises

- Incentive to employ LTUs and jobseekers who are particularly difficult to place ('82; L-vi.2): Open-ended employment contracts. Premium fixed at 200% of the reference minimum social wage.

- Framework Regulation Integration into Working Life (*KRA*) ('89; iM27): Subsidies for job creation and work experience. Contribution to the training and accompanying support costs and exoneration from paying social security contributions. Temporary or permanent contracts. Private and public sector.

- Concluding open-ended employment contracts ('86; P-v.1): Job creation. Private sector. Grant.

- Aid for setting up as self-employed ('86; P-v.7a): Grant.

- Encouraging job creation ('89; iM26): Open-ended employment contracts. Temporary exemption from employers' social security contributions, depending on age, in addition to P-v.1.

- Restarts ('73; UK-iii.5 and iM13): Allowance for taking up full-time employment for a lower wage.
- Jobstart 50+ ('89; iM27): For LTUs of over 50 years for taking up temporary employment.
- Enterprise Allowance Scheme (iM14): Additional training.
- Small Firm Loan Guarantee Scheme (iM14).

IV. Direct job creation in the non-profit sector

- Help to the LTU (*ATD*) ('86; P-vi.CLD1): Activities of community interest. Fixed-term employment contracts. Public and non-profit private bodies. Wage-cost subsidy.

- Aid to LTUs through social work ('87; P-vi.CLD2): Community activities. Fixed-term employment contracts. Grant.

- Job incentives for conserving the social heritage (*CPC*) ('87; P-vi.CLD3): Specialized vocational training. Financial and technical support.

- Action for Community Employment Northern Ireland (UK Chap.V.5): Temporary employment for one year. Projects of public interest. Financial grants.

- Enterprise Ulster ('73; UK Chap.V.5): Non-profit organizations. Temporary employment for max. one year. Basic skills.

V. Particular categories and initiatives

- Labour Pools ('89): Job creation for difficult-to-place unemployed. Temporary employment. Wage cost subsidies.

- Early retirement for the older unemployed workers ('85; P-vii.2).

FR Germany

Integration benefit instead of unemployment benefit for resettlers

Since the beginning of this year, unemployed German resettlers (*Aussiedler* from eastern Europe and *Übersiedler* from the GDR) who enter the territory of the Federal Republic no longer receive unemployment benefit. Instead, an integration benefit is paid. This is a flat rate paid for a fixed period of 312 days.

This integration benefit depends on the tax bracket and family circumstances. The minimum monthly benefit is DM 837.20 and the maximum is DM 1,089.40 (for a married couple in tax bracket III). For a non-working spouse and one or more children, an additional DM 130 per month is paid, to families of which only one partner seeks a job and to singles.

The integration benefit can only be obtained if the person has worked in the country of origin for at least the last five months and also fulfills the conditions applied in the FRG for receiving unemployment benefit (cfr. BIR FR Germany Chap.II.4).

In the first two months after their entry, the resettlers may also receive an integration benefit, if they cannot take a job or participate in a vocational training course or a rehabilitation meas-

ure, because they need time, for example, to find accommodation or pursue administrative procedures. There is one exception from this rule: *Aussiedler* have to agree to take a full-time language course (cfr. iM 29 on these courses).

During participation in a required German language course or a vocational training course, the integration benefit continues to be paid without there being any influence on the length of the period for which the benefit is paid.

In 1990, 350,000 *Aussiedler* are expected to arrive in the FRG. Experience shows that about half of this group can be regarded as economically active. The resources which have been made available to the employment offices for German language courses in 1990 (DM 2.76 billion; 1989: DM 2.1 billion) are sufficient for an average of 99,500 participants. Last year 88,900 persons participated in such language courses; most of them were *Aussiedler*. 80-90% of all the *Aussiedler* who enter the Federal territory do not have sufficient command of the German language to work there.

Once their claim to the integration benefit runs out, resettlers who are still unemployed can receive unemployment assistance according to their personal situation.

Ireland

New employment initiatives

Two major new employment initiatives were announced by the Minister for Finance in his Budget speech on 31.1.90.

Extension of Social Employment Scheme

The first initiative aims at improving overall job prospects for the long-term unemployed, by providing an additional 5,000 places on the Social Employment Scheme (cfr. BIR Ireland vi.8). This scheme, which is operated by the National Training and Employment Authority (FAS), provides part-time work on community projects for the long-term unemployed. The effect of the initiative will be to increase participation on the scheme to around 15,000 at the end of 1990, compared to 10,000 at end 1989. The cost to the Exchequer of providing the additional places on the scheme will be IRL 10 million in 1990.

New Job Training Scheme

The second initiative involves the establishment of a new Job Training Scheme (JTS). This scheme is based on proposals originally submitted to the government by the Confederation of Irish Industry (CII) and the Federation of Irish Employers (FIE). It has been drawn up on a consultative basis between the Department of Labour, FAS, the Irish Congress of Trade Unions (ICTU) and the CII and FIE. Its aim is to encourage employers to bring forward recruitment, while at the same time providing participants with work experience as well as a substantial element of general skill training.

Target group for JTS

The JTS will be primarily targeted on young unemployed persons over the age of 18 who are registered as unemployed for a minimum of two months, and whose job prospects are likely to be

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enhanced by a period of work experience and training. Participants, to be eligible, must also be registered with FAS. Efforts will be made to ensure equitable representation on the scheme of disadvantaged groups, such as the long-term unemployed and older early school-leavers.

Only firms about to expand their workforce will be eligible to participate in the scheme. Special efforts will be made to encourage participation by companies undergoing expansion and by companies in key economic sectors (e.g. manufacturing, internationally traded services) with a capacity to provide training and on-the-job support.

Scope and Nature of JTS

Up to 1,000 young people will be catered for on the scheme on a pilot basis in 1990, at a cost to the Exchequer of IRL 1 million. Trainees will be assigned to individual firms where they will receive both training and structured work experience.

The cost of training will be borne by the firm while participants will be paid appropriate FAS trainee allowances.

Participating employers will be required to draw up an appropriate training/work experience plan to be approved and monitored by FAS, who will also work towards relevant certification of the training module. Training will be provided on the employers' premises for a period of 13 to 20 weeks. At the end of this time the participant will, if suitable, be offered employment in the firm.

Monitoring and review

The operation of the JTS will be monitored on an ongoing basis and changes made as appropriate. In addition, a review will be carried out at the end of the pilot before any decision is taken on the future of the scheme.

Netherlands

Work experience for long-term unemployed

The Temporary Employment Refund Scheme (*Vergoedingsregeling Uitzendarbeid - VU*) came into force on 1.4.90 (cfr. iM 29). *VU* has been developed after an evaluation of the Youth LTUs Temporary Work Experience Scheme (*JOB*) (cfr. BIR Netherlands viii.4) and will replace this scheme. The *VU* scheme aims to provide long-term unemployed people with work experience through placement in temporary jobs and improve their chances for regular jobs. An amount of HFL 50 million is being devoted to the *VU* scheme. This amount will be drawn from the HFL 400 million budget of the Framework Regulation Integration into Working Life (*KRA*) in 1990.

Target group

The target group of the *VU* is equal to that of the *KRA*. The following job-seekers can be referred by the employment offices to temporary work agencies:

- persons who have been unemployed and in search of employment for an uninterrupted period of more than two years;
- persons belonging to an ethnic minority who have been unemployed and in search of employment for an uninterrupted period of more than one year;
- long-term unemployed persons of whom the period of unemployment has been interrupted for not more than 50 days;

- special categories, such as young people, who have been participating in the Temporary Provision Local Employment Initiatives (*TV-GWJ*) for at least six months.

Conditions and remuneration

The Scheme will be carried out, under the responsibility of the director of the employment offices, by three temporary work agencies in each region. The employment office will supply the candidates, the agencies will provide the temporary jobs. The unemployed candidates must be employed for at least 15 hours per week and for a maximum period of 52 weeks.

The employers will receive a subsidy of 33% of the labour costs of de facto performed and charged working hours. The subsidy will be granted by the director of the employment office to the temporary work agency. This agency pays the subsidy to the employers. Payments are effected every three months. The agencies receive a reimbursement of expenses of 15% of the labour costs of de facto performed and charged working hours.

Netherlands

Joint action for ethnic minorities

Intense consultation has taken place between departments of different ministries for mutually adjusting activities aimed at the integration of ethnic minorities into working life. The ministries (Home Affairs; Social Affairs and Employment; Welfare, Health and Culture; and Education and Science) agreed on the principle that their efforts in this field can only be successful when they are congruent, both on a national and on a local or regional level.

A Vocational Training and Employment for Minorities Project (*Project Beroepseducatie en Werkgelegenheid voor Minderheden*) has already been set in motion to stimulate, support and complement existing schemes.

The outlines of the interdepartmental congruence of activities and the above mentioned project are sketched out below.

Interdepartmental congruence

Schemes for fostering the integration of ethnic minorities into working life generally consist of an introductory phase and a labour market phase.

The first phase comprises the following activities:

1. receiving newcomers (e.g. support aimed at doing things independently);
2. preparing newcomers and those already pre-

sent but unemployed from ethnic minorities for integration into the labour market (e.g. by providing basic education);

3. informing, mobilizing and coaching participants.

Responsibility for activities under 1. and 2. lies with the municipalities. For activities under 3. both municipalities and support organizations are responsible. In general, the schemes should be carried out by existing (educational) institutions. The establishment of new intermediary institutes seems less desirable, given the large number of institutional provisions already existing.

The second phase of the integration schemes includes the following activities:

1. vocational and career guidance and choice;
2. vocational training schemes (e.g. in Primary Vocationally Oriented Adult Education - *PBVE*; cfr. BIR Netherlands iv.4);
3. schemes in support of placement;
4. placement.

The responsibility for carrying out these activities lies with the Regional Employment Offices (*GABs*). These offices also carry the primary responsibility for designing links between the first and second phase.

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Belgium

Regulation on shift-work

Belgium is a front-runner in Europe with regard to shift working: 80% of the enterprises use this system, be it for continuous work (seven working days out of seven, night and day), semi-continuous work (five days out of seven, day and night), or for working with a minimum of two shifts.

Shift work has developed considerably over the last years, due to the new possibilities of flexibility that have been negotiated and introduced in the enterprises under collective agreement (*CCT*) no.42 (cfr. iM 19). Working at week-ends and night schedules have been introduced in

many sectors and enterprises.

Until now, only fragmentary standards have regulated this type of work. With the aim of settling on a specific framework, the social partners have concluded *CCT no.46* in the National Labour Council "concerning measures to be taken to regulate shift work comprising night work as well as other forms of working comprising night work".

Field of application

CCT no. 46 applies to:

- employers who employ workers in a working time system between 11 p.m. and 6 a.m. in a continuous or semi-continuous working process, or in a process that is organized in a set

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way at night, in as far as the employer organizes work continuously;

- situations in which workers essentially carry out work that is fixed on a continuous or rotating basis between 11 p.m. and 6 a.m.

It should be noted that the regulation does not apply to people working in a family enterprise, where normally only parents and relatives work. Nor does *CCT no.46* apply to seagoing personnel of fishing enterprises and merchant navy and to those working in air transport.

Open-ended contracts

Workers employed in one of the working time systems covered in *CCT no.46*, must, in principle, be employed on open-ended contracts. But they can be employed on a fixed-term contract or for clearly specified jobs in sectors of industry or enterprises and for categories of workers where such contracts are customary, as well as for temporary work (maximum 6 months).

Voluntarism

Workers can only be employed under a working time system covered in *CCT no.46*, on a voluntary basis, at the time when:

- they are hired, except when the workers have received educational or vocational training intended to enable them to carry out work which is generally performed at night;
- the enterprise, or one of its divisions, changes from a working time system which is not covered in *CCT no.46* to one of the working time systems covered, except if there is a collective agreement which settles this matter.

When the enterprise has a *délégation syndicale* (a committee of trade union convenors) the change by the enterprise from a working time system not covered in *CCT no.46* to one which is must be subject of a collective agreement. This agreement must be concluded at least with all organizations represented with the *délégation*, except if the change is the result of creating new divisions that recruit workers not already working for the enterprise, or in case of new enterprises.

Conditions for returning to another working time system

1. Definitive return:

Possibilities of returning to a working time system which is not covered in the *CCT* can only be granted to an employee who has been working for at least 20 years under one or several working time systems covered in *CCT no.46*. This applies to:

- workers of 50 years and older for serious medical reasons, recognized by the occupational medical service;
- workers aged 55 years and older.

The worker who meets the requisite conditions and wishes to apply for a job which is not covered by *CCT no.46*, must make a written request applying for it to his employer. The employer has six months in which to offer the worker another job (in writing), which is not covered in *CCT no.46*, corresponding to the worker's qualifications, in the same enterprise or a different enterprise in the same socio-economic region. If no such job can be offered, the worker can stay in his job in his current working time system or end his employment contract. The option of staying on does not apply, however, to a worker who has asked work not covered under *CCT no.46* for serious medical reasons. When the worker leaves the enterprise, his employer is required to pay him a benefit of BFR 3,000 a month as a supplement to his unemployment allowance for five years.

2. Temporary return:

Returning temporarily to a working time system which is not referred to in *CCT no.46*, is possible:

- for a worker working under a system referred to in *CCT no.46* in general for urgent reasons;
- for a pregnant worker working under a working system covered in this convention, in particular. A pregnant worker can avail herself of this opportunity for a period of at least three months before the presumed delivery or for at least three months after childbirth. If the woman can produce a medical certificate, stating the need to observe the mother's or child's health, she can be exempt in other periods during the pregnancy, or for other lengths of time determined by the doctor after the three months following childbirth.

Transport

When a worker who is employed in one of the working time systems envisaged by *CCT no.46* is actually away from home for more than 12 hours a day, or if his/her journey takes more than 4 hours a day, the employer must organize transport for the worker or give him/her extra financial aid.

Financial benefits

In the absence of a collective agreement, a particular financial benefit, particularly in the form of premiums, is guaranteed to the workers who are employed in one of the working time systems covered by *CCT no.46*.

Special provisions

The length of working time is adjusted to the type of working time system involved. This implies that:

- the interval between stopping work and start-

- ing again should be at least 11 consecutive hours;
- in continuous working time systems, the length of working time can not, in principle, exceed 50 hours per week, and 56 hours if the work is spread over seven days of eight hours per day;
- the worker can, if he/she so desires, take compensatory time off (full days) for the time he/she has worked extra.

Ireland

New pre-retirement allowance

The Department of Social Welfare has recently launched a new Pre-Retirement Allowance scheme (PRETA). Under this scheme, any person aged 60 or over, who has been in receipt of unemployment assistance for more than twelve months, can opt to retire from the labour market and receive a weekly allowance instead of unemployment assistance.

The PRETA-allowance is equivalent to, or in some cases may even slightly exceed, the value of unemployment payments which participants are currently receiving. The allowance is payable up until such time as persons in receipt of it become eligible for either old-age pension (age 66) or

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Equivalent rights

The workers who are employed in shift working have the same rights as those who work in other working time systems, particularly as regards union representation and participation, general and vocational training, safety, health and medical care, and social facilities.

Enforcement

The *CCT no.46* came into force on the 1.5.90.

retirement pension (age 65). A major attraction of the scheme for participants is that, as they are now considered retired, they no longer need to conform with the "available for work" requirement and therefore do not have to "sign on" at the Employment Exchange or Employment Office. They also retain full entitlement to any supplementary welfare benefits which they may have been receiving while in receipt of unemployment assistance.

Up until 30.3.90 a total of 3,516 persons aged 60-64 had opted to receive the new allowance rather than unemployment assistance. As a result, these persons are no longer included in the registered unemployment total.

PLACEMENT

Denmark

Liberalization of placement activities

Until now the public employment service in Denmark has had a monopoly as regards placement activities. As a general rule, private placement activities have been prohibited. It has been possible for recognized trade unions to apply for a permission to undertake placement activities within the occupational field covered by the union. Such permission had to be granted by the Ministry of Labour. Special conditions could be attached to such permission. Private temporary employment agencies have also undertaken placement activities, mainly in the clerical field, with the permission of the Ministry of Labour. This Ministry is responsible for the supervision of the activities of these agencies.

From 1.7.90, however, new legislation will come into force. The new act will mean a liberalization

of placement activities as it abolishes all restrictions in this field. Private placement may then take place without special permission and will no longer be subject to public control. Consequently, this means that trade unions and temporary employment agencies will no longer have to apply for special permission to undertake placement activities.

Under the new legislation the public employment service will be maintained. Denmark has ratified the ILO Employment Service Convention 88 and has committed itself to "maintain or ensure the maintenance of a free public employment service". The regular services will therefore remain free of charge, but a fee may be charged for certain special services.

The Danish government expects that the liberalization of placement activities, in connection

WORKING TIME

with a strengthening of the public employment service, will increase the efficiency of placement. Considering that the regular services of the public employment service continue to be free of

charge, it is expected that the private placement organizations will concentrate on those fields where special, sectorial knowledge is required or where a careful selection of staff is essential.

MISCELLANEOUS

FR Germany

German-Hungarian cooperation on labour administration

The Federal Employment Services (BA) in Nuremberg has run a three weeks course for 26 participants from Hungary to develop a design for reforming the Hungarian labour administration.

The participants -future heads of regional labour market centres- were informed about the key features of German labour market policy, particularly about the structure and the organization of the German labour administration. Together with experts from the BA, they drew up an outline for a reformed Hungarian labour administration. When implementing this concept in Hungary, they will be able to draw on further advice from the German labour administration.

The course was the first in a series of measures which are based on the agreement with the Republic of Hungary which has been signed by the Federal Minister of Labour and Social Affairs

in December 1989 in Budapest. The costs will be covered by the item for "Advising Eastern-European countries on reforming and restructuring their social security systems, employment promotion and labour relations", which has been established in the budget of the Federal Ministry of Labour and Social Affairs.

Other projects in the Republic of Hungary (in Miskolc and Pécs) will be set up on further education and retraining of the unemployed by establishing two centres for the vocational training of companies' employees. Experts of the *Berufsförderungszentrum* (occupational promotion centre) in Essen will participate in the planning and organization of the centres. In the centre in Miskolc, which will be set up first, skills training is envisaged for three professions starting with: communications' technicians, welders and metal-cutting mechanics. The training courses for the Hungarian instructors in those professions and for technical staff of the vocational training centre will be held at the *Berufsförderungszentrum* in Essen.

France

Negotiated modernization of enterprises

The Ministry of Labour, Employment and Vocational Training intends, as one of its priorities in 1990, to promote the negotiated modernization of enterprises. In the period between April and June 1990 six interregional meetings bringing together all socio-economic actors, chaired by the Labour Minister, are already scheduled.

The Concept

The development of techniques and markets and the growing international competition are forcing enterprises to change their management and organization styles, and to modify significantly the working and employment conditions of their

workers.

The success of these changes does not only depend on the quality of the technological investments or management of enterprises, but also on the way in which they organize work, how they train their work-force and manage employment in development projects.

Technological modernization does not necessarily lead to improving the situation for the employees; but, to succeed in modernizing, it is essential to see to it that the bulk of employees get something out of it.

The policy of negotiated modernization meets three challenges of ensuring that:

- the employees of the enterprise, corporate employees' expectations and their character-

istics are taken account of in the same way as other resources of the enterprise;

- the organization of work and social management are designed and applied jointly with the technical aspects of modernization;
- this is not a unilateral approach but that it has the backing of all the parties within the enterprise: management, staff, workers and their representatives, each group acting within the scope of their specific responsibilities.

The policy of negotiated modernization is based on forward-looking employment management which means that the question of jobs in the future should be integrated into corporate strategy: employment must no longer be managed as if it were a variable that can be simply adjusted in the short term.

Forward-looking employment management consists of three phases:

- knowledge of current developments in employment and qualifications and of the working population in enterprises (age pyramid, distribution of men and women etc.) and projections into the future;
- knowledge of the skills and competences of employees at the work place, as well as their development potential;
- the definition of actions, based on these two areas of knowledge as regards to work organization, internal mobility, versatility and training.

Forward-looking employment management must simultaneously ensure that exclusion of both the less qualified and older employees be avoided, and the qualifications of each one of the wage-earners be developed.

To ensure the success of such an approach, "transparency", and thereby the support of the personnel, must take place throughout the whole process.

The State, without in any way taking over the role of enterprises, employers' organizations or trade unions, can provide enterprises starting out on such a process with technical and financial support.

State assistance

To support the process of negotiated modernization undertaken by the sector organizations or enterprises, the State provides a variety of assistance. It can be distinguished in assistance for advising and action support. Some are already long-standing, such as those provided by the Fund for Improving Working Conditions; others have only been recently introduced in 1989 and 1990:

1. Consultancy assistance:

The consultancy assistance aims at helping

the enterprises to formulate a diagnostic approach as regards forward-looking employment management.

There are two such sorts of assistance:

- the brief diagnosis: this instrument has been established in 1990. It consists of a two to three days survey, trying to identify the problems an enterprise is facing as regards work, employment and training. This assistance is provided free of charge by public sector, through a network managed by ANACT, the National Agency for Improving Working Conditions. It is intended for small and medium enterprises.
- consultancy as such: this is carried out with the help of external consultants. It aims at bringing in forward-looking employment management actions, such as the definition of new qualifications, identifying trades which are subject to evolutionary change, looking at the age pyramid and managing the employment consequences of a new work organization or the introduction of new technologies.

The National Employment Fund, within the framework of its Innovation Line on Employment Management, will cover 70% of the consultancy costs.

2. Action assistance:

Besides the more traditional assistance on the contents, the organization and the conditions of working given by the Fund for Improving Working Conditions, three new forms of aid have recently been established:

- To encourage enterprises which are striving to extend the use of operating time as an instrument of shortening weekly working time, a tax credit is granted, for a period of three years, with an annual amount of between FFR 1,000 and 2,000 per reduced hour of every employee involved. (reference text: article 121 of the Law on Finances for 1990)
- According to the Law of 2.8.89, Government subsidies will be provided within the framework of sectorial and company level agreements to help companies which take preventive measures to retrain their workers in accordance with the development of jobs. Subsidies will amount to FFR 3,000 per worker per month in case this training takes more than 500 hours and FFR 4,000 for workers aged 45 and over.
- The National Employment Fund's agreements on "preventive training" (*convention formation-prevention*) aim at helping enterprises which take preventive training measures for the employees who are threatened with medium-term job loss. The Government's subsidy can cover up to the totality of their operating costs and 70% of the salary paid to the employees. (reference text: circular of 3.3.89)

MISCELLANEOUS

The first results of this ambitious programme are encouraging. Almost 2,000 enterprises in France have been involved in actions of negotiated modernization and this action must be further developed in 1990.

Rough currency conversion rates

One European Currency Unit (ECU) was roughly equivalent to the following amounts of national currencies in June 1990:

Belgium	BFR	42.3
Denmark	DKR	7.8
FR Germany	DM	2.05
Greece	DRA	202
Spain	PTA	127
France	FF	6.9
Ireland	IRL	0.77
Italy	LIT	1,511
Luxembourg	LFR	42.3
Netherlands	HFL	2.31
Portugal	ESC	181
United Kingdom	UKL	0.72

BASIC INFORMATION REPORTS

Comparable information on labour market operations and policies from the EC-Member States is published in Basic Information Reports. The following country reports are still available in English, French and/or German at the price of ECU 6 each, or ECU 50 for the set of 12.

Country	Published in	Languages
Belgium	1989	F
Denmark	1988	E / F
FR Germany	1988	E / G
Greece	1986	E
Spain	1988	E / F / G
France	1987	E / F
Ireland	1988	E
Italy	1988	E / F
Luxembourg	1986	E
Netherlands	1987	E / F / G
Portugal	1987	E / F / G
U.K.	1988	E / F

MISEP INFORMATION

InforMISEP is the quarterly newsletter of the Mutual Information System on Employment Policies (MISEP). MISEP was created to meet the need for an exchange of information on employment policies within the European Community. InforMISEP (iM) presents those measures, policies and actions adopted by the Member States which are aimed at promoting and improving employment within the European Community. It is compiled on the basis of information provided by national correspondents. The information serves to update the Basic Information Reports (BIRs). InforMISEP is published in English, French and German.

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