

# EUROPEAN COMMUNITY

**BACKGROUND INFORMATION**

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BACKGROUND NOTE

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## EUROPEAN COMMUNITY SOCIAL ACTION PROGRAM INITIATED

The European Community's Social Action Program got underway June 10 when the Council of Ministers adopted Commission proposals to aid handicapped and migrant workers and improve industrial safety. The measures are the first priority actions of the three year program.

### Assistance for Migrant Workers

The Council's first decision was to adopt a Commission proposal to open The European Social Fund to migrant worker assistance programs. About 6.2 million migrants work in the Community. Of these, over a million are of Community origin (over two million including their families). Fund assistance was authorized for member state integrated programs for EC migrants and their families, covering all phases of migration. Eligible projects would provide, for instance, language training in the country of origin, vocational training and reception facilities (education and linguistics training) in in the host country, and preparations for a possible return home. Non-EC migrants may benefit from Fund backed reception facilities but not vocational training. Nearly a half million non-EC migrants were given their first member state work permits in 1972. Training programs for teachers, welfare workers, and project administrators in this field will also benefit from the fund.

### Handicapped Worker Action Program

The Council adopted the first Community action program for vocational rehabilitation of the physically handicapped and opened the Social Fund to vocational training pilot projects. The fund already gave limited help to various national projects for the handicapped. The Community's handicapped number between 5 million and 22 million, depending on the counting criteria. The program calls for cooperation between national rehabilitation and training bodies chosen to promote new techniques and for development of short term projects to improve existing rehabilitation facilities. Long term projects will be drawn up according to results of the preceeding activities.

### Industrial Safety

An advisory Committee on Safety, Hygiene, and Health Protection at Work was set up by the Council to assist the Commission in preparing and carrying out occupational safety measures. The Committee will gather information on safety conditions in all but the mining sectors, propose and initiate studies, and help the Commission draw up a common safety policy.

The Council also extended the role of the Mines Safety and Health Commission to take preventive action against accident and occupational hazards in quarrying and other extractive industries. The Mines Commission was set up in 1957 under the European Coal and Steel Community.

### Revised Social Fund

Social Fund assistance for migrant and handicapped workers was facilitated by the Community's 1973 revision of the European Social Fund. The scope of the fund was broadened to take account of EC enlargement and provide increased financial assistance within a Community framework to industries, vulnerable segments of the working population, and regions with structural employment problems.

Earlier Council action made fund assistance available to retraining and rehabilitation programs for workers leaving agriculture and the textile industry or needing new textile skills. The Commission has proposed providing similar assistance to the shipbuilding industry which is currently confronted with overcapacity problems. The budget of the fund has quadrupled over the last two years, to 327.8 million units of account (UA) for 1974. (One UA equals \$1.20635.)

#### Social Action Program and the Energy Crisis

The Social Action Program takes on new importance in light of the repercussions the recent energy crisis will have on the Community's social and employment situation. Vulnerable groups--especially elderly and migrant workers, school drop-outs, and women seeking jobs--will suffer most from the impact of the energy situation, according to a May Commission report. The Commission said adverse effects on the job situation had to be mitigated by joint EC, member state, industry, and trade union action which would: avoid self defeating trade and competition policies; share the burden of employment difficulties among countries and social sectors, and establish a new employment pattern. The report pointed to the vital role the Social Action Program must play in meeting those objectives.

The Social Action Program was drafted by the Commission last year in response to a call from the EC Heads of State or Government at the October 1972 Summit Conference in Paris. Calling for such a program, the leaders of the Nine "emphasized that they attached as much importance to vigorous action in the social field as to the achievement of economic and monetary union."

The October 1973 program set out the Commission's priorities and work timetable covering 1974-76. It proposed a wide range of measures to achieve full and better employment, improve living and working conditions, and increase labor, consumer, and management participation in EC economic and social decisions. The Council adopted a January 21 resolution approving the substance of the program and outlining the individual reforms to be carried out over the next three years. Commission proposals are to be acted on by the Council within nine months of receiving each one.

With adoption of the handicapped and migrant workers and industrial safety measures, the Council will move on to consider action proposed by the Commission to complete the first stages of the program.

#### Equal Pay for Men and Women

To enforce the hitherto loosely applied EC Treaty of Rome principle of equal pay for men and women, the Commission sent the Council a November 1973 draft directive ensuring uniform member state legislation on sex discrimination. The directive would: enable legal proceedings to be taken against violators, eliminate discriminatory aspects of wage laws and contract agreements, protect workers engaged in lawsuits against dismissal, and make employers subject to supervision and penalties. National laws would be amended according to this directive no later than December 31, 1975.

### Mass Dismissals

Variations in member state laws regarding mass worker dismissals are undermining social progress, balanced regional development, and competition. The Commission's November, 1973 proposals to harmonize mass dismissal laws call for setting up a procedure requiring employers to consult with workers' representatives in an effort to work out an alternative solution and to notify appropriate public authorities of their dismissal plan. Following notification, the public authorities will investigate the situation and may prohibit the employer from launching any plans found to be unjustified.

### Universalizing the 40 Hour Work Week

Legal working hours in the Community today vary between 40 and 48 hours a week and annual paid vacation between 12 and 24 working days a year. The Commission has asked for a Council recommendation for member state legislation of a 40 hour work week by December 31, 1975, and a 4 week annual paid vacation by December 31, 1976.

### Foundation on Living and Working Conditions

The Commission submitted a blueprint for a European Foundation for the Improvement of Living and Working Conditions in December 1973. Foundation studies on living conditions would delve into problems of ecology, energy production, recreation facilities, urban renewal and restoration, family and health security, immigration, and integration of non-European peoples into Community society.

In the interest of bettering working conditions, the foundation would, for instance, explore ideas for upgrading the workers' status through such means as joint management, job enrichment, further education, and adjusting machine operating schedules to workers' needs. It would also study problems confronting segments of the labor force, such as young people, the handicapped, and immigrants. Operating on a 1976 budget of UA 4.5 million, the Foundation would be run by a board of member state and Commission representatives. A Scientific and Technical Committee would also be set up to study Foundation projects and forward proposals to the board.

#### European Vocational Center

A draft regulation setting up a European Vocational Training Center to promote a "European dimension" in this area was proposed by the Commission on March 22. The center would be a primary instrument in aligning national vocational training standards. It would gather and disseminate information on new developments and research and help coordinate research projects. The center would organize courses, conferences, seminars, and pilot projects, conclude research contracts, grant financial aid to researchers and institutes, and publish a Community vocational training bulletin.

#### Protection of Workers in Company Mergers

Between 1962 and 1970, the number of mergers involving a controlling interest takeover grew 350 per cent. Yet, only Germany, France, Italy, and Luxembourg offer comprehensive protection of workers rights in the case of mergers. Therefore, the Commission sent the Council a draft directive to guarantee EC workers' rights and benefits in cases of EC or international mergers, takeovers, and amalgamations. in May.

The proposals would guarantee workers automatic transfer and continuation of their employment relationship from the old to new employer and protection against arbitrary changes in employment terms, transfers, or loss of job benefits. Employers would have to respect terms of existing collective bargaining agreements and inform worker representatives of the legal, economic, and social consequences of the takeover. Worker representatives may request negotiation proceedings with old and new owners if workers' interests are imperiled.

Forthcoming Commission proposals related to remaining Social Action Program priorities would, for instance, set up EC programs to combat poverty, assist the elderly, increase worker involvement in company management, and improve public health and housing facilities. Commission will propose a broad action program for migrant workers this year. It has already submitted an interim report on migrant related measures which should be carried out. These include: improving information on job availability, improving social services, giving social security coverage such as family benefits and maternity allowances, and coordinating migration policies vis-a-vis non-member countries.

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