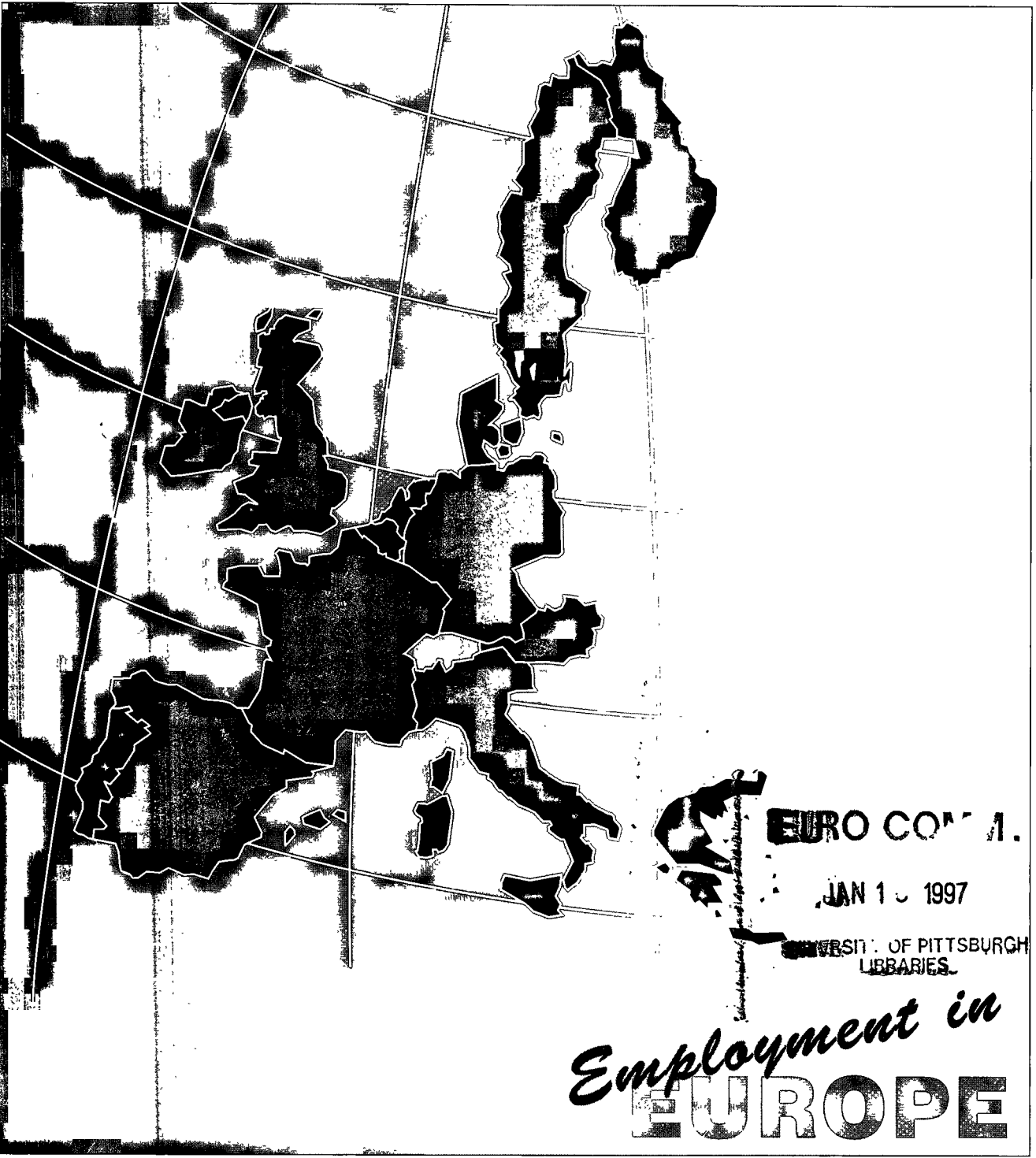



EMPLOYMENT OBSERVATORY

Trends

23

Changes in employment, analyses, evaluations
Series produced from the SYSDÉM network



 EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR EMPLOYMENT
INDUSTRIAL RELATIONS
AND SOCIAL AFFAIRS

Social Europe
DGV

SYSDÉM

S Y S D E M P U B L I C A T I O N S

The following is a list of Bulletins and Working Papers currently available.

SYSDEM Bulletin 1

(Statistical Supplement: Economic Performance, Employment Evolution and Labour Market Change) EN, FR, DE

SYSDEM Bulletin 2

(Statistical Supplement: Employment Change by Region and by Sector) EN, FR, DE

SYSDEM Bulletin 3

(Statistical Supplement: Female Employment and Unemployment) EN, FR, DE

SYSDEM Bulletin 4 (Annual Report)

(Statistical Supplement: Employment in the Service Sector) EN, FR, DE

SYSDEM Bulletin 5

(Statistical Supplement: Working Hours in Member States) EN, FR, DE

SYSDEM Bulletin 6 (Key Journals and statistical sources)

(Statistical Supplement: Employment and Labour Market Statistical Sources [Eurostat]) EN, FR, DE

Employment Observatory: TRENDS 7

(Statistical Supplement: Labour Costs) EN, FR, DE

Employment Observatory: TRENDS 8

(Statistical Supplement: Industrial Disputes in Member States) EN, FR, DE

Employment Observatory: TRENDS 9

(Statistical Supplement: Employment Trends in Construction and Banking) EN, FR, DE

Employment Observatory: TRENDS 10 (Annual Report)

(Statistical Supplement: Evolution of the Labour Force and Employment) EN, FR, DE

Employment Observatory: TRENDS 11

(Statistical Supplement: Demographic Trends in Europe) EN, FR, DE

Employment Observatory: TRENDS 12

(Statistical Supplement: Unemployment Trends in Europe) EN, FR, DE

Employment Observatory: TRENDS 13

(Statistical Supplement: Education Trends in Europe) EN, FR, DE

Employment Observatory: TRENDS 14 (Annual Report)

(Statistical Supplement: Key Labour Market Indicators) EN, FR, DE

Employment Observatory: TRENDS 15

(Statistical Supplement: The Older Population and Older People in the Workforce) EN, FR, DE

Employment Observatory: TRENDS 16

(Update of Bulletin 6: Key Journals and Statistical Sources) EN, FR, DE

Employment Observatory: TRENDS 17

Statistical Supplement: Women and the Labour Market) EN, FR, DE

Employment Observatory: TRENDS 18 (Annual Report)

(Statistical Supplement: Key Labour Market Indicators) EN, FR, DE

Employment Observatory: TRENDS 20

(Statistical Supplement: Selected Labour Force Trends in the European Economic Area) EN, FR, DE

Employment Observatory: TRENDS 20

(Statistical Supplement: Industrial Disputes in the European Economic Area 1983-92) EN, FR, DE

Employment Observatory: TRENDS 21

(Statistical Supplement: Labour Costs) EN, FR, DE

Employment Observatory: TRENDS 22 (Annual Report)

(Statistical Supplement: Labour Market Flexibility) EN, FR, DE

Employment Observatory: TRENDS 23

(Statistical Supplement: International Migration in the European Union) EN, FR, DE

SYSDEM Papers 1: Skill Shortages in the European Community EN

SYSDEM Papers 2: Revue de la littérature sur la dimension sociale et le Marché Intérieur (Literature Review: Social Dimension and the Internal Market) FR

SYSDEM Papers 3: Documents selected from the SYSDEM database EN-FR

SYSDEM Papers 4: Euro-Labour Markets: the Prospects for Integration; Conference Proceedings from the SYSDEM Conference, April 1991, Birmingham, UK EN-FR

SYSDEM Papers 5: Migration and Labour Mobility in the European Community EN

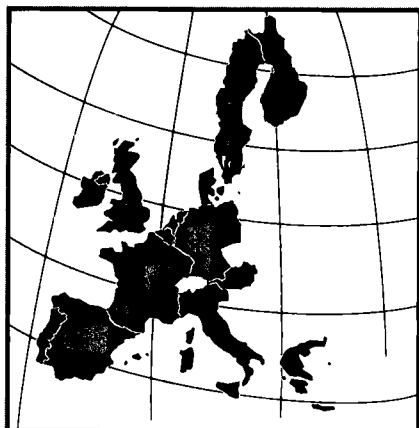
SYSDEM Papers 6: The European Labour Market in 2000: Demographic Changes and Policy Implications EN

SYSDEM Papers 7: Regional Disparities in Employment: Situation and Trends in the New Bundesländer EN, FR, DE

SYSDEM Papers 8: Denmark, Scandinavia and the European Labour Market EN, FR, DE

SYSDEM Papers 9: The Evolution of Industry and Services and its Employment Impact EN, IT

EMPLOYMENT OBSERVATORY Trends



The Bulletin of the European
System of Documentation
on Employment (SYSDÉM)

Nº. 23, 1995

TRENDS Bulletin is the quarterly publication of the European System of Documentation on Employment. It disseminates information collected by SYSDÉM on the evolution of employment at European Union level. SYSDÉM is managed on behalf of the Commission of the European Communities (DGV) by ECOTEC Research and Consulting Limited.

Editors: Gill Whitting, Tina Weber, Caroline Lambert

National Correspondents: Tuire Santamäki-Vuori, Kenneth Walsh, Søren Villadsen, Brigitte Sivan, Kurt Vogler Ludwig, Jerry Sexton, Inge Van Berkel, Luis Toharia, Ferdinand Lechner, Maria João Rodrigues, Theo Papatheodossiou, Anna Thoursie, François Pichault, Manuela Samek

Translation: Marie-Dominique Maison.

TRENDS Bulletin is available in English, French and German.

Commission Launches Medium-Term Social Action Programme 1995-97 2

Economic Performance: Better Prospects and More Flexibility 3

**The National Dimension:
Abstracts and commentaries from Member States** 6

Austria	7
Finland	10
Sweden	13
Belgium	15
Spain	17
Denmark	23
The Netherlands	25
France	26
Greece	28
Ireland	30
Italy	32
Federal Republic of Germany	34
Portugal	36
United Kingdom	37
Luxembourg	39

**Statistical Supplement 23:
International Migration in the European Union** 19

Abbreviations	5
The national correspondents	Inside back cover
Further information on SYSDÉM	Inside back cover
Employment Observatory	Back cover

The articles in the TRENDS Bulletin and the information presented in the Statistical Supplement reflect the views of the authors and do not necessarily reflect the opinions of the Commission of the European Communities.

Commission Launches Medium-Term Social Action Programme 1995-97

On 12 April 1995, the European Commission adopted a communication on a medium-term social action programme (the Programme), covering the three-year period 1995-97. This Programme is the culmination of 18 months of wide-spread consultation and public debate which started in 1993 with the launch of the *Green Paper on the future of European Social Policy*, and continued in 1994 with the *White Paper on European Social Policy*. It sets out in detail how the Commission intends to take forward the conclusions of the December 1994 Essen European Council.

The Programme takes into account the achievements of the 1989 social action programme which it replaces, while at the same time articulating a strategy to meet new needs and challenges as identified in the White Papers on *Growth, Competitiveness and Employment* and *Social Policy*. The Programme highlights the importance of striking a balance between economic and social considerations and argues the importance of measures to combat unemployment, poverty, crime, poor health and educational under-achievement.

The key issue to be addressed is the challenge to European competitiveness caused by the globalisation of the economy. The technological revolution occasioned new training requirements and important adjustments in production processes and work organisation. Systems of public welfare provision are also considered because of increasing difficulties in gaining funding. These are exacerbated by demographic and socio-economic trends.

Five key themes run through the 1995-97 social action programme:

- employment;
- consolidation and development of legislation;
- equality of opportunities between men and women;
- an active society for all;
- medium-term reflection and analysis.

In spite of encouraging economic indicators, unemployment remains persistently high, particularly among low skilled people. The Commission argues that what is required is an integration of social, economic, taxation, training, environmental and regional policies.

While responsibility for job creation lies mainly with the individual Member State, the Programme sets out the Commission's proposals for monitoring employment trends and assessing the progress of Member States in implementing their multi-annual programmes. In doing this it will place particular emphasis on the implementation of the recommen-

dation of the Essen Council which identified five priority areas in the fight against unemployment: the promotion of investments in vocational training; the increase in the employment-intensiveness of growth; the lowering of indirect wage costs; the increase in the effectiveness of labour market policy; and the strengthening of measures for groups particularly affected by unemployment. The programme also contains a range of proposals designed to achieve greater co-operation between national governments, the Commission and the social partners.

The document highlights the vital contribution of the Structural and Social Funds in promoting employment and outlines the aims and objectives of new initiatives (LEONARDO, SOCRATES). It also focuses on the importance of training and education and the free movement of people within the European Union. In order to achieve entirely free movement of individuals around the Union, the Commission is launching a number of initiatives in relation to social security and pension rights as well as the recognition of diplomas.

The Programme emphasises the Commission's plans to review the Social Charter with the European Parliament seeking to drive forward the legislative proposals which are still under discussion in the Council, including the Directive on the posting of workers and a number of health and safety Directives. Some of these initiatives are to be pursued under the Social Protocol.

The Programme emphasises the high priority which the Commission accords to the issue of equal opportunities and sets out the priorities of the fourth equal opportunities action programme. The Commission is seeking to expand its social policy concerns to cover all citizens while continuing to accord special attention to key social problems such as poverty, racism and the exclusion of older and disabled people. It also aims to expand its analytical capacity by, for example, setting up a high level group of experts to examine the social and societal implications of the emerging information society.

With its Action Programme the Commission intends to broaden the scope of social policy in the European Union, while at the same time focusing its proposals more clearly on a set of priority issues.

Medium-Term Social Action Programme 1995-97, published in *Social Europe*. Available from: Office for Official Publications of the European Communities, L-2985 Luxembourg. All EU-11 languages.

Economic Performance: Better Prospects and More Flexibility

Reports from a range of international sources highlight an improved economic situation. Unemployment remains a top priority. Data are also provided on the incidence of labour market flexibility. Documentation on the finance sector examines employment trends in one of the key sectors affected by new working practices.

OECD Economic Outlook

OECD (1995)

The *OECD Economic Outlook* published in June 1995 shows that the economic situation in most OECD countries has improved substantially after the deep recession of the early 1990s. Overall unemployment is falling and inflation has dropped to rates unseen since the 1960s. Beyond these favourable figures, the report argues that much has been done to lay the foundations for sustainable improvement in economic performance over the longer term. A stronger competitive position in product markets has been achieved by a variety of agreements reducing barriers to trade, including the Internal Market, NAFTA (North Atlantic Free Trade Association) and the Uruguay Round. A number of countries have also made some progress in enhancing labour market flexibility. However, the report also reminds readers of the necessity to reduce unemployment, not only to reduce the waste of human resources but also to reduce the social distress caused by high and prolonged unemployment.

In the medium-term the report argues that it is imperative to maximise the benefits of globalised and liberalised financial markets while avoiding abrupt movements in exchange rates and a prolonged misalignment of currencies. Macro-economic policy requirements include keeping down inflation, and achieving exchange rate stability. The report also highlights key issues for structural reform.

Available from: OECD, 2 rue André-Pascal, 75775 Paris Cedex, France. EN, FR.

World Employment 1995

ILO (1995)

This report was produced by the ILO in response to the worldwide concern over the problem of unemployment. The is-

ssues are considered in the context of profound ongoing change in the global economy. In spite of an increase in global output unemployment remains persistently high calling into question more traditional policy solutions. The report assesses the problem from a variety of angles. Part one looks at the effects of the globalisation of the economy on employment with particular reference to the resolutions of the Uruguay Round. It also looks at recent trends in foreign direct investment and emerging concerns over globalisation of the economy.

Part two is devoted to the policy issues and employment trends in developing countries, focusing on the reduction of underemployment and poverty and the causes behind and remedies against the marginalisation of Africa in the global market place.

Part three looks at employment trends in the emerging economies and at how they attempt to deal with the growing problem of long-term unemployment. Part four charts the causes and tried and untried solutions to the problem of unemployment, while the final chapter assesses the possibility of a return to full employment.

Available from: ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. EN, FR, ES.

Labour Force Survey Results 1993

EUROSTAT (1995)

The *Labour Force Survey* produced by Eurostat provides the most comprehensive set of comparative data on employment in the European Union. This edition does not cover the new Member States as the data were collected prior to enlargement. The national statistical institutes are responsible for selecting the sample, preparing the questionnaires, conducting the direct interviews and forwarding the results to Eurostat in accordance with a

standard coding system. The survey produced 122 tables looking at issues including labour force participation rates, levels of unemployment, temporary and part-time work, self-employment and the make-up of the inactive population. Most data are provided by age, sex, sector and other relevant classifications. The *Labour Force Survey* is an invaluable source of comparative European labour market data which is constantly under review in order to respond to key labour market policy questions.

Available from: Office for Official Publications of the European Communities, L-2985 Luxembourg. EN, FR, DE.

OECD: Trends in International Migration: 1994 Annual Report

OECD (1995)

The latest annual report, *Trends in International Migration*, shows the scale, type and direction of recent migratory flows. The report highlights that after a rise in the 1980s and early 1990s, immigration flows stabilised in several OECD countries in 1993 and 1994. This can largely be attributed to recent measures by host countries to control flows more effectively and to introduce more selective entry criteria for immigrants. The diversification of the channels used by migrants and the broader range of nationalities involved in international migration flows is clearly reflected in the data. Three other factors are also emphasised: the lower numbers of asylum seekers; the growing proportion of temporary workers; and the migration of highly skilled workers.

The report argues that while migration flows may well diminish over the next few years, due to the development of new migration poles in Asia and Central and Eastern Europe, the deterioration of the economic and political situation in many areas close to OECD countries and

the increasing labour demand in the latter may reverse this trend.

Official measures have been less successful in containing illegal immigration, and the report therefore argues for greater international co-operation to achieve employment creation in emigration countries. The report describes recent developments in migration movements and policies in each country studied. These include OECD countries (with Denmark, Ireland and Mexico appearing for the first time) and five central and Eastern European countries.

Available from: OECD, 2 rue André-Pascal, 75775 Paris Cedex 16, France. FR, EN.

Multiple Job Holders in the European Union in 1992

EUROSTAT (1995)

This short report, published as part of the series *Statistics in Focus: Population and Social Conditions*, shows that the number of people with more than one job, expressed as a percentage of the total population in employment, remained more or less stable between 1987 and 1992, at slightly below 3%. In 1992 Portugal, Denmark and the Netherlands had the highest percentages.

The majority of multiple job-holders in the EU consider their second job as regular. In 1992 multiple job-holders worked an average of 46.4 hours per week in both jobs, of which 12.6 hours were spent in the second job. The data show that generally in countries with a relatively large agricultural sector (Greece, Ireland, Spain) the number of actual hours worked in second jobs considerably exceeds the European average.

The majority of second jobs were to be found in the service sector, with the exception of Greece where agriculture provided the greatest relative share of secondary employment. Approximately one half of all second jobs were carried out as self-employment or family work.

The data on which the report is based are extracted from the Community Labour Force Survey, in which figures on the existence of second jobs have been included since 1983. The report is particularly pertinent due to the increase in part-time work in the European Union.

Statistics in Focus, Population and social conditions, 1995, 2. Available from: EUROSTAT, L-2920 Luxembourg. EN, FR, DE.

Working Time in the European Union: Estimated Actual Annual Working Time (1983-1993)

EUROSTAT (1995)

Eurostat's preliminary estimates indicate that in every country of the European Union actual annual working time remained stable or declined between 1983 and 1993. In 1993 the average European employee worked 1668.8 hours per year, with the highest figure being achieved by workers in Portugal (1822.6 hours) and the lowest by workers in the Netherlands (1451.7 hours).

A breakdown of average working time between full-time and part-time workers showed that, for full-time workers, the shortest working years were found in Italy and Belgium and the longest in the UK, Ireland and Portugal. For part-timers, values varied more widely, with extremes ranging from 734 hours in the Netherlands (1990) and 1194.5 hours in Italy (1985). The report found that, as a general rule, male employees worked longer than female employees. However, the gap narrowed when data was restricted to full-timers.

Annual working time is longest in agriculture, and working time in industry was generally slightly higher than in services. The report concedes that national data on annual working hours are difficult to render comparable but argues that the Eurostat approach is currently the only indicator which allows a satisfactory comparison between Member States.

Statistics in Focus, Population and social conditions, 1995, 4. Available from: EUROSTAT, L-2920 Luxembourg. EN, FR, DE.

Service Vouchers: An Analysis of the Job Creation Potential and Feasibility of Service Vouchers in the Netherlands

KNIGGE J A, RIJNHOUT M J (1995)

The persistent problem of large-scale unemployment throughout the European Union has led to the recognition that initiatives on a similar scale are needed to change this situation. There is a particular mismatch between labour demand and supply in the lower segments of the labour market. The European Commission White Paper on *Growth, Competitiveness and Employment* focused attention on service vouchers as a labour mar-

ket instrument. This study defines the different variants of service vouchers, and assesses the extent to which they could contribute to reducing unemployment. In a second stage researchers questioned interest groups and practitioners about their opinions of the impact on employment of the introduction of service vouchers. The models which were seen to have the greatest job creation potential proved the least popular as they contained an element of compulsion (ie, compulsory deductions from salaries; compulsory work schemes for those on benefits). Models borrowing from international experience were more popular but were viewed to be capable of creating only 20,000-50,000 jobs in the European Union.

Available from: EIM Small Business Research Consultancy, P.O Box 7001, 2701 AA Zoetermeer, The Netherlands. EN.

CEA ECO+

COMITÉ EUROPÉEN DES ASSURANCES (1995)

This issue of the bulletin published by the European Committee of Employers in the Insurance Sector aims to fill a gap in the availability of data on employment in the insurance sector in the European Union. The Associations which took part in this study cover all EU Member States except Ireland, Luxembourg and Finland. Instead it includes Switzerland and Norway. The study looked at the employment situation in the European insurance sector in 1993 and the profile of employment in European insurance in 1993. The latter chapter looked at the issues of wage negotiations and wage costs in the sector. Insurance undertakings provided a not inconsiderable source of employment in Europe with an average 64 jobs per 10,000 for the period between 1989-1992. Switzerland has by far the largest percentage of employees in insurance undertakings in overall salaried employment, followed by Great Britain and Germany. Until 1992 employment in this sector grew constantly but in 1993 it experienced a slight drop. The experience of growth and decline in employment in this sector was by no means uniform and tended to fluctuate every year. Since 1992 employment has been declining while income from premiums has grown. In some countries wage and social costs have grown

more rapidly than premium income, whereas in others the opposite was true.

Available from: Secrétariat Général, 3 bis, Rue de la Chaussée d'Antin, F-75009 Paris, France. EN, FR, DE.

Social Europe: New Working Practices in Banking and Insurance

CEC (1994)

The three papers published in this edition of *Social Europe* were commissioned by DGV to assist debate at the Employment Observatory Seminar which was organised by SYSDEM in April 1994 with the co-operation of the Greek Ministry of Labour, during the Greek Presidency. In his paper Amin Rajan looked at employment trends in eight Member States, the major trends in the restructuring of the sector and the implications for the social partners. Iain Begg discussed the factors influencing the level and character of employment in insurance, demand for such services, the level and effect of international competition and the emergence of "bancassurance". He also examined policy issues, training requirements and possible action by the CEC. He recommends the establishment of a European Employment Observatory for the insurance sector. Vincent Merle looks at developments and adaptations of qualifications and skills linked to the rationalisation of financial activities.

Available from: Office of Official Publications of the European Communities, L-2985 Luxembourg. EN, FR, DE.

Your Social Security Rights when Moving within the European Union: A Practical Guide

CEC (1995)

Freedom of movement was one of the first and continues to be one of the most important aims of the European Union. The Commission published this guide with the purpose of providing citizens of the European Union (or at least the EU-12) with easily understandable information about their rights and obligations in the field of social security. In Part one it describes the relevant Community provisions and in Part two goes on to outline national legislation. The main rights covered relate to the areas of sickness and maternity, accidents at work and occupational diseases, invalidity, old-age pensions, death grants, survivors benefits, and unemployment and family benefits. A section of Part one is devoted to outlining the rights of particular types of beneficiaries for whom there are special Community provisions: frontier workers, seasonal workers, posted workers, pensioners, students, tourists, non-active persons and third country nationals. Apart from providing a guide for those travelling, working or retiring in another country within the EU, it gives a useful summary of benefit systems and entitlements in other Member States together with addresses to contact for further information.

Available from: Office for Official Publications of the European Communities, L-2985 Luxembourg. EN, FR, DE.

ABBREVIATIONS USED IN SYSDEM

SYSDEM	European System of Documentation on Employment
EU	European Union
CEC	Commission of the European Communities
DG	Directorate-General of the CEC
ETUC	European Trade Union Confederation
Unice	Union of Industries of the European Communities
MISEP	Mutual Information System on Employment Policies
OECD	Organisation for Economic Co-operation and Development
ILO	International Labour Office
CEDEFOP	European Centre for the Development of Vocational Training
GDP	Gross Domestic Product
GNP	Gross National Product
SMEs	Small- and Medium-sized Enterprises
EMS	European Monetary System
EMU	Economic and Monetary Union

COUNTRY

A	Austria
B	Belgium
DK	Denmark
D	Federal Republic of Germany
E	Spain
F	France
GR	Greece
IRL	Ireland
I	Italy
L	Luxembourg
NL	The Netherlands
P	Portugal
S	Sweden
SF	Finland
UK	United Kingdom

LANGUAGE

DA	Danish
DE	German
EN	English
ES	Spanish
FI	Finnish
FR	French
GR	Greek
IT	Italian
NL	Dutch
PT	Portuguese
SV	Swedish

The National Dimension: Abstracts and Commentaries from Member States

The New Member States: Austria, Finland and Sweden

Following the enlargement of the European Union from the EU-12 to the now EU-15, this is the first SYSDM-Trends Bulletin to cover labour market trends, statistics and policy developments in the new Member States: Austria, Finland and Sweden.

Before joining the EU on the 1st January 1995, the three new Member States had previously participated in the Internal Market as members of the European Economic Area (EEA) which they joined in January 1994. As members of EFTA, they had taken part in European economic cooperation for several decades.

What took place in January 1995 was clearly not only an enlargement but also an enrichment of the European Union. One of the many reasons for this enrichment is the different labour market characteristics, trends and policy making traditions which the new Member States bring into the European Union.

All three countries have traditionally displayed relatively high labour market participation rates, low levels of unemployment and a history of active labour market policies. Unlike most other EU Member States, these countries have only recently experienced more severe unemployment problems (particularly long-term unemployment).

The entry of Austria, Finland and Sweden into the European Union therefore provides increasing scope for policy learning, and this issue of the SYSDM Trends Bulletin therefore devotes particular attention to the labour market trends and policy backgrounds of the New Member States.

Austria	7
Finland	10
Sweden	13
Belgium	15
Spain	17
Denmark	23
The Netherlands	25
France	26
Greece	28
Ireland	30
Italy	32
Federal Republic of Germany	34
Portugal	36
United Kingdom	37
Luxembourg	39

The correspondents for the New Member States are:

Austria
Dr Ferdinand Lechner
L&R Sozialforschung, Vienna

Finland
Dr Tuire Santamäki-Vuori
Labour Institute for Economic Research, Helsinki

Sweden
Dr Anna Thoursie
Swedish Institute for Social Research, Stockholm University, Stockholm