

A debate in the European Parliament at  
the initiative of the Socialists:

## Which policy for full employment

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*One of the most disturbing problems facing the Community is unemployment. In fact, this problem is our major preoccupation. With nearly 6 million unemployed in the Community, the Socialist Group is obviously particularly concerned about the problem of underemployment, which at its request was the subject of a lengthy debate in Parliament after the Socialist Group had tabled an oral question to the Commission on the employment situation, stressing the need for an overall policy in this matter.*

*It is not enough to show goodwill and formulate fine but nebulous phrases about combatting unemployment. The Community and its Member States must be provided with the means needed to bring this fight to a successful conclusion. The Socialist Group has made very practical proposals in this connection. We consider that programmed steps should be taken to reduce working hours and encourage continuous training and that special programmes should be introduced for young people in search of their first job, women arriving on the employment market and people wishing to prepare for retirement. However, we also consider that general economic policy measures are needed to combat unemployment effectively, failing which, according to Commission forecasts the Community will have ten million unemployed by 1985. Urgent measures are therefore needed. Nobody can claim to have miracle solutions, which moreover certainly do not exist.*

*However, in our view there is a need for a number of longer term structural reforms and a form of economic planning enabling the public sector to play a fundamental role in certain specific areas of the economy. It is important in this connection not only to revive unsatisfied demand for traditional products and services but also and above all to create demand for products linked to the quality of life and collective services, all of which implies searching for another form of growth. Another important goal is the establishment of public control over large industrial concerns and firms with dominant positions, as well as over multinational concerns.. It means making investment subject to the right to information and control by each State and by the employees of firms in such a way as to prevent transfers and outflows of capital to third countries to the detriment of those firms which have made the profits. Effective methods of controlling the activities of multinationals must be introduced. At present, the world's trade is almost entirely in the hands of a 1,000 multinationals, over which neither the workers nor the public authorities have any control whatsoever!*

*Furthermore, at a time when the question of wage moderation is in the air, we can in no way accept that the workers should be required to bear the brunt of*



*the situation while the multinationals refuse to transfer the enormous profits they make in the highly remunerative industries such as the oil industry to less remunerative industries which are very often controlled by the very same interests since the States are then « Blackmailed » into subsidizing these sectors and therefore jobs with taxpayers, i.e., first and foremost workers' money.*

*Since the start of the recession, the profits of the multinationals have increased considerably: in 1973 Exxon's profits increased by 59 % compared with 1972, and Texaco's by 45,5 %. Oil profits have not ceased to grow over the last few years.*

*The price of oil provides a wonderful scapegoat. It is to its sudden rise in late 1973/early 1974 that the international monetary disorder, inflation and recession are all attributed. It is all too easily forgotten that the monetary crisis began in 1971 and that the downward trend in the price of oil which characterized the 1960's made a turnabout as early as 1970, in other words well before the recession began. The link between the banks and the oil companies and between the rise in oil prices and the fabulous profits of the multinationals, whose activities are not controlled by the public authorities, is also forgotten all too often. Now, the transnational companies through their investment policy play an active role in the process of industrialization and even more so in the process of industrial restructuring at world level, which is closely linked to the international recession. Clearly, from a Socialist point of view, employment policy is connected with the problem of economic decision-making and the situation in the industrial sector. The solution which we propose is based on giving priority to full employment and social development. This was the purpose of the resolution tabled by the Socialist Group in the European Parliament. The forces of the Right did not vote for it, which goes to show that when the interests of those who are profiting by the recession are called into question, everyone shows his true colours.*

Ernest Glinne, chairman of the Socialist Group.

## Unemployment in the Community

As is usual in winter, the number of unemployed registered at public employment offices rose at the end of January 1980. At 6.5 million persons, it almost reached the level of January 1979. Unemployed persons as a percentage of the civilian working population thus increased from 5.7 % at the end of December 1979 to 6.0 % at the end of January 1980.

The increase of 5.6 % in the gross figure has been mainly due to weather conditions. The seasonally corrected data have remained at about 6.0 million since October 1979.

The influence of unfavourable weather, with regional variations, has been particularly depressing on the trend of unemployment in the F.R. of Germany (+19.6 %). For some of the other member States the increase has been well under the Community average: France and Italy (+1.1 %), Luxembourg (+3.5 %) and Ireland (+4.0 %). The Netherlands (+7.2 %), Denmark (+8.2 %) and the United Kingdom (+8.5 %) have, however, shown increases above this average. Only in Belgium was there a reduction in unemployment (-1.4 %) compared with December 1979.

Compared with the corresponding month of the preceeding year, unemployment decreased by 0.8 % in the Community. In most countries showing this trend, the reduction was well in excess of the Community average: Denmark (-12.5 %), the F.R. of Germany (-11.5 %), Ireland (-8.1 %) and Italy (-2.9 %).

The position remained relatively unchanged in Luxembourg. However it deteriorated more in France (+9.5 %) and Belgium (+4.9 %) than in the Netherlands and the United Kingdom (over 1 %).

Male unemployment showed a reduction of 5 % compared with January 1979. The increases sometimes noted one month to next, as in particular between December 1979 and January 1980 (over 8 %), were seasonal in character.

In contrast female unemployment rose in the same period by 5.2 %. This confirms the tendency, observed since 1974, for the percentage of women in the total unemployed to increase. In January 1980 this reached a figure of 44.4 % compared with 41.9 % in January 1979.

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## For an overall policy on employment

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Madam President, ladies and gentleman, in debating the employment question, Parliament is tackling one of the Community's real problems. That is the real meaning of the oral question tabled today by the Socialist Group and it is a matter that concerns millions of workers in Europe.

It is clear from the various manifestations of the change that the system is now going through — the economic crisis, cultural crisis, social crisis, crisis of values and so on — that liberalism's traditional doctrines and solutions no longer work. Their ineffectiveness is exposed for all to see because they feed on contradictions.

There is a contradiction between reducing wage-earners' purchasing power and the policy of maintaining industrial investment. There are contradictions between the policies of austerity and the resolve to base growth on exports. The countries of Europe cannot all at the same time restrict domestic demand and bank on selling abroad. That would be absurd.

There is a contradiction between « unemployment management » and the declared intention to put a brake on social expenditure. The cost of policies in which subsidise the unemployed instead of creating new jobs will never be emphasized enough.

Today, the full employment objective — one of the central subjects of the Treaty of Rome — is forgotten. Resignation and management of shortages have taken its place. The old diagnoses and remedies lead to nothing but failure.

For Socialists, the time has come to talk a new language. Our answer to this crisis in the system is an all-embracing employment policy in which the first step would be to switch to a new type of organized social growth.

Demand is not stagnating because requirements are all met. On the contrary vast needs remain and others are developing. They could become the driving force of a new and different type of growth. First of all there are the public services: health services, community facilities, transport, child-care units, schools, housing, and so on.

Hence the importance of a forceful investment policy with these sectors as the first priorities.

Encouragement for reflation and public investment measures in the Member States should be one of the Community's immediate objectives. It is impossible for the main directions of economic policy to arise out of the sum of industrial or commercial decisions. They need to be planned. There can be no guidance of production and consumption without this control over the future.

Planning efforts to achieve full employment implies real control of the investment process and knowing what is going on. Without this how can any correlation be imposed between investment and employment?

The situation of the multinationals is highly relevant. Through their decisions, often taken on the other side of the Atlantic, they have the power to undermine the industrial policies of the Community countries and this is why information and control are two prior requirements if our action is not to be just a series of statements of principle. Control over concentration and dominant positions should not be confined — as it is today — to a kind of anti-trust legislation or the stimulation of competition at the trade level. Their activity and growth and their big investment projects need to be controlled but above all, in the future, they need to be made to fit in with the medium-term policies of the Community countries.

It is also vital that the workers in the firms concerned should have the right to know about and examine investment and employment decisions. This would be the best way for workers to put pressure on the employers so that the creation of new jobs becomes a priority.

Intervention by the Community in industry is insufficient. Its attitude towards industrial redeployment plans is purely defensive, witness the latest proposals. In other words it is a static and resigned view of things in which the loss of tens of



In introducing the oral question tabled by the Socialist Group, Georges Sarre put forward the view that economic democracy is a prerequisite for a Socialist solution to the present recession.



thousands of jobs is regarded as inevitable whether in the textile industries or in shipbuilding.

This view of things cannot be ours. It is vital that we do more than provide short-term help to the threatened industries.

It is up to the Community to define a positive policy for the development of diversified activities. The diversification of Europe's productive resources is an asset and we must not allow it to be swept away by the new division of labour. This would be a threat to employment and it would also be a threat to the ability of European economies to weather the crisis. On the contrary we need to diversify this industrial fabric because the first step in reducing unemployment must be to create jobs in industry. And this industrial policy must be pursued hand in hand with regional policy.

This must be a vital objective for the Commission. There is no hiding the fact that this will require great strength of political will in the face of the present concentration of capital and the industrial bargaining which is still today, for the most part, in the hands of the big groups and multinational firms.

A concerted policy to reduce working hours could be a major asset in the employment question as part of an overall policy. This is why efforts to reduce working time are, for Socialists, a constant battle. Even if the effects are not simply mechanical, this reduction is fully warranted by foreseeable trends in the active population between now and 1985.

A first objective is to bring forward the age of retirement and lengthen the period of annual holiday. But the crucial point, of course, is to reduce the working week. The support our Group gave to the action day organized by the European Trade Union Confederation on the 35-hour week shows how attached we are to this goal. A Community approach could help to reduce the impact of this measure on competitiveness. Our watchword is down with unemployment in Europe; à 35-hour week to create jobs and a better life.

As for compensatory wage adjustment, we agree with the trade union organizations that it should be 100 %. Reducing the overall purchasing power of wage-earners is not only unacceptable in itself it is also a very bad way to stimulate demand, and hence investment and employment.

Other ways of reducing the working week deserve mentioning including the introduction of an additional shift in shift-work jobs or continuous processes. In addition to helping to create new jobs, working conditions in these cases — often amongst the most severe — call for priority treatment and the Community has a duty to say so.

In what way could the Community intervene, ladies and gentlemen ?

The Commission should take concrete initiatives for negotiations to begin. Everyone realizes what the impact of a tripartite agreement would be on this subject. The difficulties are enormous and the risks of coming to grief indubitable. It should, however, be the first step.

Other measures, too, are necessary. Large-scale employment programmes need to be launched, designed specifically for women and young people, in which the public sector should play a leading role. As regards vocational training, the hopes expressed in the Treaty of Rome have been forgotten. Instead of a common policy on training we are offered a sprinkling of financial aid.

But concerted efforts at the Community level to bring out a resolution or a directive regarding a programme for reducing the time spent at work must not be in conflict with the principle of free bargaining between the social partners and that is the role of the elected Members of this Parliament. It is the issue in this debate.

The point is that a debate on employment cannot fail to touch on working conditions and the very content of work. From that standpoint, a decisive question is how the nature of work in factories and offices can be changed. This depends on the granting of new rights to workers and it implies re-establishing the protective and unifying role of the right to work and putting an end to the discretionary powers of management in employment questions.

The democratization of the economy would be a condition of a Socialist way out of the crisis we are passing through. In this field, workers' participation in the decisions concerning them is a right that has yet to be won.

This applies to all fields — definition of new products, energy conservation, choice of new forms of consumption etc. — and to all levels. It is a decisive aspect as regards the form of planning that needs to be promoted. These new rights (right of expression and of association, trade union rights, etc.) that are being demanded today practically everywhere by workers in the Community form an integral part of an overall conception of employment policy.

Economic democracy is a necessary condition for the resumption of growth in the right direction. Of course we need to produce and work, but for whom, for what and how? The model of our growth and development is the concern of Europe's workers, too.

This is why, as a first stage, the Commission should produce proposals regarding the harmonization of social legislation based on the most favourable current provisions. It is surprising to find that Community policy on this point is at a total standstill. Apart from a few measures, on health at work, the action taken by the Commission is practically non-existent.

For us, the right to work is a priority requirement. At this dawn of a new decade, the European Assembly should state this boldly. The debate we are now beginning will, we hope, enable us to regain the initiative.

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The commission's answer :  
a coordinated Community  
employment policy

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In their presentation the authors of the question have already pointed out that the number of unemployed in the Community has of late remained at a constant 6 million or so. But this figure naturally reflects only part of the truth. The 6 million are the registered unemployed, and we know only too well that there are also a very large number of unregistered unemployed, who are frequently in a far more difficult and hopeless position. As this concealed unemployment usually receives less publicity and less interest is taken in it, we do not know exactly how extensive it is, but we are certainly talking in terms of about 3 million unemployed. The people concerned are primarily married women, young people who remain at home for a longer period after their compulsory education, and the handicapped. In the case of this concealed unemployment, therefore, we are dealing principally with socially weak groups, who even in this age of prosperity are often forgotten, and the problem of concealed unemployment has by no means been overcome yet.

In the years before 1973 unemployment had been reduced to a minimum. Of course, there were certain regions in our Community — I am thinking of the Mezzogiorno in Italy and of a country like Ireland — where unemployment has really never been reduced to acceptable proportions, but on the whole, we had at that time unemployment figures which now appear almost ideal and to which it will be scarcely possible to return. Unemployment naturally creates all kinds of difficulties, particularly for those directly concerned. Tension arises. For society it is a completely negative phenomenon. The argument that it is just one of those things and that unemployment is a situation we must learn to live with is therefore, in my view, completely objectionable.



Henk Vredeling underlined the structural nature of the recession. He expressed the Commission's desire to contribute to a real Community policy but also stated that in his view the Council of Ministers had to face up to its own responsibilities.

Lastly, he pointed out that Parliament had its own decisive role to play and that the Commission was counting on Parliament's support in order to ensure that its proposals became a political reality.

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The questions which Mr Glinne and the others have put cover a very extensive area. As we have very little time, my colleague Mr Ortoli and I will have to keep our answers extremely brief. Where a given aspect is not dealt with adequately in the first instance, we will perhaps be able to provide a further explanation in the course of the debate.

As I have already said, the situation since 1973, the first year of the energy crisis, has become progressively worse, and worse than had originally been expected. Initially it was thought we were merely facing a temporary setback. But persistent inflation and the structural imbalances that have become increasingly apparent have made it clear that we are dealing here with a permanent phenomenon, a structural phenomenon. Even if we leave aside the substantial rises in energy prices, the problems are enormous. In 1980 there is expected to be economic growth in real terms, growth in the gross national product, which, as things now stand, will probably be below 2 %. And the number of unemployed is likely to increase this year by another 700 000. Further rises in energy prices would, moreover, produce an even more unfavourable picture.

The prospects for the coming years, therefore, give no cause for optimism. If the traditional policy is maintained, economic growth will definitely be too limited to guarantee and above all to create sufficient jobs, particularly when the rapid growth in the working population in the first half of the 80's is considered. By 1985 the Community's labour force will have increased by about 500 000 to 800 000 a year. An accurate figure cannot be given because of an unknown factor, particularly the increase in the number of women looking for work. All this compels us to make a joint effort to change present policy and especially to ensure that the unfavourable forecasts that have been made of the pattern of employment do not become reality.

The Commission must not, of course, establish a given policy in an ivory tower. More than ever before it will need the support of the Council and of Parliament. Unfortunately, the resources available to the Commission to pursue a Community policy aimed at combating unemployment are limited. The most important resource reserved for this purpose is rather modest. It principally consists in urging the Member States to pursue a policy of convergence in not only the economic, but also the social sphere. This convergence must be achieved through the Council and through the European Council.

The European Council has, as you know, endorsed the idea of convergence, the last occasion being at its meeting in Dublin, when it stated that the fight against unemployment must be coordinated. It requested the Commission to put forward proposals for specific measures for stronger action by the Community in the fight against unemployment. In this we will, of course, as I have already said, need Parliament's support and also its monitoring activities. That is why it is important that Parliament should be informed at this stage that the Italian Presidency is considering convening a joint meeting of the Ministers of Finance and Economic Affairs and the Ministers of Employment and Social Affairs to discuss the joint strategy. It will then be possible at this joint meeting to discuss in greater detail the coordinated policy which is to be pursued and for which the Commission must therefore prepare proposals.

Of course, the two sides of industry should play a very important part in all this work. They should be involved at the earliest possible stage, because they have an essential function to perform in the fight against unemployment. That is also the reason why the Commission has in recent years increasingly cooperated with the two sides of industry and with the Council in tripartite conferences, within the Standing Committee on Employment and also through the maintenance of direct contact with the representatives of employers and employees organized at European level, so as to involve the two sides of industry in the policy. The Commission certainly did this on a large scale last year, for example with regard to the question of the redistribution of labour, to which I will revert briefly later.

The prospects are not very favourable, as I have just said, and this also applies to the development of wages in real terms. We can be almost certain that there will be very little chance of increasing real wage levels in the Community in the short term. Steps can, of course, be taken to ensure that price increases are

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not or not wholly matched by wage increases, so as to counter price inflation. This must naturally be done in consultation with the two sides of industry, particularly the Trade Union movement, but I would point out straightaway that such consultations cannot be restricted to a discussion of wages. All income brackets should be included. People with higher incomes must, in my opinion, be expected to make greater sacrifices to the benefit of social justice than those with lower incomes.

Nor is it enough to express the pious hope that price increases resulting from the rise in energy prices, for example, will not be compensated in terms of wage levels. Policy must not be concentrated on this one aspect: it must take a broader view. The general objective of the Community's policy must, of course, be to restore full employment while maintaining or restoring economic stability and price stability. For this moderation in the development of incomes is necessary. But we must realize that this policy can only be pursued if there is a shift in the power structure, resulting in particular in an improvement in the social climate, the relationship between employers, employees and governments. Other aspects must also be considered, of course. The course adopted must be such that jobs are created and account can be taken of the requirements of better environmental management and the necessary conservation of energy.

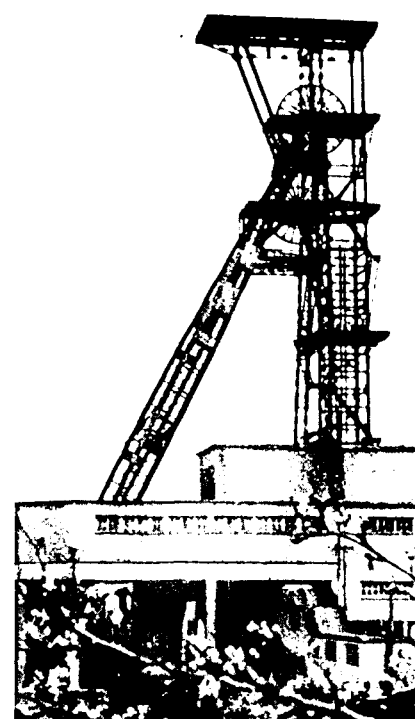
Such selective economic growth is naturally impossible if thought is not at the same time given to maintaining and, if possible, increasing domestic demand in both the private and the public sectors. Therefore, if domestic demand is to be maintained, and if possible, stimulated, there must be limits to incomes restraints however desirable they may be. The conclusion increasingly being reached, therefore, is that global measures alone are not in fact sufficient and that a specific approach is required for a number of reasons. This is also evident from the wording of the European Council's statements I have just referred to. These requested us to put forward proposals not only for global measures but also for specific measures aimed at a more vigorous fight against unemployment.

As regards investment policy it can, of course, be said that governments should exercise positive influence through subsidies, levies and legislation. In this the transparency of investments is particularly important, so that the public can have their say, examples being made to restructure industries that are in difficulty. But restructuring can only be regarded as a defensive policy.

The reorganization we envisage must result in an improvement in productivity and profitability and must be accompanied by measures that are beneficial to employment, that stimulate new activities. In the steel sector in particular the Commission is already pursuing a policy of this kind, assisted by the fact that the ECSC Treaty offers greater opportunities in this respect. Parliament is aware of our proposals we have put forward and of the policy we are pursuing in this field. Recently the Commission also put forward proposals relating to another sector, shipbuilding. However, the efforts being made to establish a Community policy as a contribution to the restructuring of certain sectors of our economy are unfortunately meeting with considerable resistance in the Council. But for the future it is very important that we should look not only at sectors in difficulties but also at the growth sectors. This is the case, for example, with advanced technology, and I would refer to the document on data transmission which has just been forwarded by us to the Council and also to Parliament.

In addition, the social consequences of developments in micro-electronics will shortly be discussed at a meeting of the Standing Committee on Employment with the two sides of industry and the Council of Ministers of Employment and Social Affairs. By using this advanced technology responsibly, we must stimulate the creation of new jobs, particularly in the service sector, and we will take as a basis the outcome of the discussions in the Standing Committee on Employment. In view of the rapid increase in unemployment, especially among women, far greater attention must be paid to the service sector and above all to the financing required from the public sector.

In 1979 we examined another question in the Standing Committee on Employment, namely the imbalance and the qualitative discrepancy between supply and demand in the labour market. As a result the Commission will be







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drawing up for the Council a document laying down guidelines for harmonizing Community employment policy.

I should now like to say a few things about the question raised by the Socialist Group on the position of the multinational companies. I would begin by pointing out that, in contrast to what was recently said by UNICE, the European employers' organization, the Commission feels that employees are frequently not fully aware of what their position in the company is. The Commission's programme for 1980 therefore includes a proposal for a directive on multinational companies, the object being, as a first step, to give employees greater influence over decisions directly affecting their interests and to ensure that Member States' legislation requires management to inform and consult employees. It is a matter of particular importance for multinational companies to have establishments in various Member States, which is why the Community must pay particular attention to this subject. The top management of such international companies frequently takes important decisions without previously consulting the employees concerned and their organizations.

With regard to the topical question of the redistribution of labour I would emphasize that the Commission has never regarded this as the only or the principal means of solving the unemployment problem. It feels that in favourable circumstances redistribution of labour, including shorter working hours, can very definitely have a positive effect on employment. As such it can be considered a supplement to economic measures and even a necessary supplement. But it is not the principal means to be used in the fight against unemployment. The redistribution of labour and shorter working hours are also important because they make for a fairer distribution of the pleasures and burdens in the relationship between men's and women's work. In its communication to the Council of 9 May 1979 the Commission stated its position on the redistribution of labour. It proposed to the two sides of industry that framework agreements should be concluded at European level on the number of hours worked per year. As examples we referred to the suggestions that have been made with regard to the restriction of systematic overtime, shift work, the flexible retirement age, the development of education, training and permanent education. Reference was also made to the spread of voluntary part-time work and to the question of temporary jobs. Last year we discussed this whole problem in detail with the two sides of industry and also with the Council. As a result the Commission drew up a resolution, which was discussed by the Council in November. This formed the basis of the resolution adopted by the Council in November. The Commission was instructed to prepare further-reaching proposals on the redistribution of labour.

In addition, the Council adopted at the November meeting a resolution on the significance of permanent education and on the involvement of the European Social Fund. At its meeting in Dublin the European Council requested the Commission to continue its consultations with the two sides of industry on the adjustment of working hours and although this gives a positive impression, I must say that I am not yet completely satisfied. We began discussing the question of the redistribution of labour at European level at a very early stage, in the spring of 1978. The Council's adoption 18 months later, in November 1979, of a very much watered-down resolution does not, in my opinion, point to a very high degree of determination. I admit that this is a difficult problem and that the Commission cannot force a solution on the employers and employees.

I should just like briefly to raise two points that I have not yet discussed or not yet discussed in sufficient detail. The two instruments available to us and our employment policy are the Regional Fund and the Social Fund. In 1979, special programmes for the creation of jobs for young people were for the first time established within the framework of the Social Fund. In this respect I found Mr Sarre's remarks on the Social Fund incomplete, since he did not pay sufficient attention to this last and extremely important point. The significance of the Social Fund has increased rapidly in recent years. Between 1973 and 1979 its budget increased no less than fourfold. In 1979 it amounted to 770 m EUA, and it was possible to assist over 1 million workers with retraining programmes financed by the Social Fund.

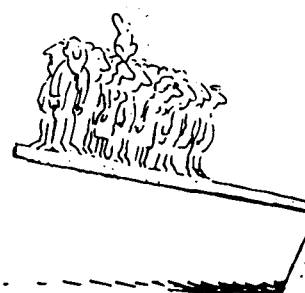
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I should like to point out *en passant* that in the preliminary draft budget for 1980 the Commission submitted to Parliament we estimated Social Fund expenditure at 1 000 m EUA. The Council then reduced this figure to 876 m EUA and, as you know, the last word has not yet been said on the budget.

In 1978 we helped 300 000 young people through the Social Fund and 12 000 women through the special programmes for women over the age of 25. In 1979 300 m EUA was set aside for young people, including the amount for the new programme for this group, and 18 m for projects aimed specifically at women. The Commission's policy is aimed at paying special attention to categories encountering particular difficulties in the labour market.

In 1978 almost four-fifths of the Social Fund went to the regions, which are identical with the regions of the European Regional Fund. Of this amount almost half went to the top-priority regions such as Northern Ireland, the Republic of Ireland, southern Italy, Greenland and the French overseas departments.

The problem we face is no longer a question of analysis but increasingly whether we are prepared to solve the employment problem with a Community and a coordinated policy. That is why the Council must be persuaded to take the necessary steps. Parliament's role is decisive, and the Commission is therefore counting on continuing to receive Parliament's support so that its proposals may become a political reality.



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## ... an alternative policy for restoring full employment

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Heinz Oskar Vetter underlined the need to exploit to the full both the tripartite Conferences and the opportunities for cooperation offered by the Standing Committee on Employment. He called on the Council to face up to its responsibilities in the field of social and employment policy.

In tabling during this debate a motion for a resolution which deals in particular with the reduction of the working week as an important contribution to improving the employment situation in Europe, my group is under no illusions.

Reducing the working week is the only real way of reducing unemployment, if we leave aside the vague hope of improved economic growth. But it cannot eliminate unemployment, and it cannot restore full employment either. If that is to be achieved, we need a different policy, a different economic policy, a different industrial and technological policy and a different financial policy. As regards unemployment, I cannot share the wide-spread pessimism that rapid technological development can but lead to rationalization that eliminates jobs and leaves no alternative, that the role the State and society have to play is merely a defensive one in preventing the worst from happening and that we have no defence against a development, an industrial revolution, the price of which happens to be mass unemployment. On the contrary, I am convinced that we are capable of looking ahead and bringing under direct social control the aims and effects of the trend of which there are already signs. We must be able to prepare ourselves in terms of education and social policy for the possibility that new impulses may emerge from the new technical opportunities and that new jobs may be created. I intend to raise only one point in this context. It was the European Trade Union Confederation which called for the holding of tripartite conferences at European Community level.

The conferences so far held have had little or no effect. Little advantage has been taken of the opportunities that undoubtedly exist for cooperation within the Standing Committee on Employment and the joint committees for the various sectors of industry. At present it looks not only as if no one is interested in the continuation of the tripartite conferences on a different, improved basis, but also as if some politicians and associations would like to destroy the structures of the tripartite conference, which have not yet been safeguarded by treaty, and the Standing Committee on Employment and the joint committees as well.

What we need is the continuation of the tripartite conferences on a different basis, and it is unacceptable that the Council of Ministers should go on pretending that it is not involved. At these conferences the Council must, we feel, adopt a previously coordinated binding position on problems which, as things stand, can only be solved at European level or not at all. The present situation, in which the governments adopt individual and independent positions, simply condemns European conferences involving the two sides of industry to failure. The Council must accept its responsibility in the solution of European problems, especially where they arise in connection with the social and employment policies.

So the top priority must now be the preparation of a tripartite conference on the subject of the reduction of the working week, with the aim of establishing a joint basis for the redistribution of labour in the Community which takes account of the differences that exist, respects the autonomy of the two sides of industry to negotiate wage rates and is sufficiently binding. But this is primarily a question of political will, because only then can an end be put to a situation in which reference to the competition from the rest of Europe is enough to stop the introduction of a shorter working week in a Member State. Only then can an end be put to a situation in which the autonomy of the two sides of industry in the conclusion of contracts is misused as an argument against a European basis for the reduction of working hours.



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## The notion of economic growth must be extended to take account of other values

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In the labour market our old economic theories and policies are outdated. Everywhere the full weight of economic policy is placed on anti-inflationary efforts. Rising raw materials prices are offered as an easy excuse here. But it is still true to say that despite a favourable short-term economic development the labour market is still characterized by depressing trends, because it is not, of course, simply the unemployment — expressed in percentage terms — which is alarming: it is above all the number of those concerned which in fact makes it clear to us what unemployment today means.

Let me take as an example the Federal Republic of Germany, where the situation is regarded by the public as being relatively favourable. Of the more than 3 million people who became unemployed in 1978 each had been out of work one and a half times. Add to this those who had been unemployed for longer than a year and the latent reserve, and you arrive at a figure of almost 3 million different people affected by unemployment in one year. In my country that is every eighth worker.

This calculation really makes it impossible to belittle the situation. And we must realize what unemployment in fact means to the individual and to our society. To the individual it means firstly — despite social security — that he will suffer a substantial loss of income and also a gradual loss of social integration and self-respect. For society and seen from a general economic point of view, unemployment means a loss of prosperity which should not be underestimated, consisting of social obligations towards the unemployed, the loss of contributions to social insurance funds and of tax revenue, and of the reduction in net domestic product, since people and plant are not being used to capacity. We are talking here in terms of thousands of millions, which should be opening the way for a different employment policy strategy.

Seen in terms of the European Community, the situation is very much worse. Every sixteenth person of employable age in the Community is out of work. The proportion of persons gainfully employable in the Community is 41,5 %. This means for all practical purpose that of the 165 million Europeans of employable age around 60 million — which is after all equivalent to the population of the Federal Republic, France or Italy — are not yet in gainful employment. And of these 60 million, 46 million are women. In all our countries the problems of the labour market are accompanied by an economic situation characterized by limited growth of industrial production, governments and central banks pursuing an anti-inflationary policy, increased concentration and centralization of capital, a systematic increase in uncontrolled investment incentives in companies and a corresponding reduction or even freezing of consumption and of domestic product in real terms. The result is that the countries of the Community are threatening to stop at monetarism and at the protectionism that is reemerging and so to consolidate divergence in the Community, with the attendant danger of disintegration into different economic and monetary areas.

I should now like to refer to the reduction of the working week. From any analysis of the labour market we can see that if the unemployment problem is to be solved, either the gross domestic product must increase at an unexpectedly sharp rate or there must be a drastic reduction in working hours. If growth policy and reduction in working hours coincide, an active employment policy is possible. The reduction of working hours is however, not only a measure to be taken as part of the employment policy, but undoubtedly one of the most powerful means of humanizing working life, which is characterized by a high degree of stress, a constantly high number of hours of overtime, considerable distances to the place of work, an increase in shiftwork and a reduction in the average amount of leisure time available every day. Hardest hit by this are working women with small children.

In purely mathematical terms it has been proved that simply shortening the working week or doing so in conjunction with a reduction in overtime does most to ease the burden on the employment situation. Nevertheless, the choice between the numerous possible ways of reducing work time — reducing the time



Heinke Salisch depicted the real dimensions of unemployment. She spoke out in favour of reducing working hours both as a way of safeguarding employment and as an instrument of regional policy.

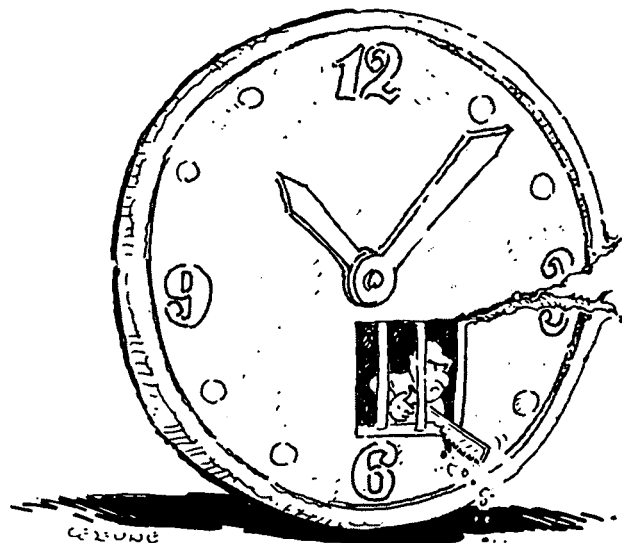
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worked throughout a worker's life or the time he works in a year, in a week or in a day, arrangements to give him breaks, additional shifts and so on — must undoubtedly be governed by the criteria of need as defined by social policy and of the requirements of the sector and company concerned.

As a rule companies can make good half to a third of the calculated reduction in working time by increasing productivity. Companies prefer to bring forward the retirement age, because then the pension funds take over, or to give longer annual holidays, because this necessitates only slight changes. But both these alternatives have comparatively little effect on the employment situation.

While five day's extra leave creates 250 000 jobs — I am referring here to the Federal Republic — the introduction of the 35-hour week produces more than one million new jobs. This makes it clear where the emphasis must lie in the Community. Even if all the other methods of reducing working time to safeguard employment are required, we need in the European Community a long-term labour policy concept which focuses on the introduction of the 35-hour week and changes in shiftwork. The introduction of the 35-hour week is essential above all in regions particularly hard hit by under-employment. The reduction of working time could therefore also be used as a regional policy instrument.

To conclude, structural changes in economic processes also mean structural changes in economic policy. In my opinion, this means changing the objectives of economic policy from the maximization of individual companies' productivity and profits to company activities guided by general social costs and benefits, in other words a move away from economic growth measured in terms of the gross national product alone towards the inclusion of degree of employment, productivity and other socially relevant quantities in the concept of economic growth. I see this as the basis for an effective employment policy, which will also encourage the integration of the European Community.



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## Europe will help those who help themselves'

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I hope I am not being too presumptuous in addressing my words to the Council and to our governments because I feel I must pay a personal tribute to the Commission for its untiring efforts over the last three years to hold a debate free of any kind of passion on the splendid idea of work-sharing, in other words the fellowship that we should express towards those who are unable to get a job and are therefore less than full-members of society.

But first I must dismiss two ideas that have been voiced during the debate and which the Socialists cannot let pass. The first is that we are using it for blatant propaganda. It was not us, certainly not in France, that handed out the romantic nonsense, regarding the European elections, that Europe would be a miracle cure, that what we could not do in our individual countries could be done in Europe. And to the groups on the other side of the Chamber I say that what we propose is to discuss things with you. We want Parliament to be able to make public opinion aware of the consequences of lasting unemployment out of which could arise a society of fraud, injustice and waste. So what we want is to cooperate with them.

Now I come to the essence of what I have to say and it falls under two headings: cooperation and solidarity. These are the two ideas that need be discussed in this debate on employment.

Firstly, cooperation. We are not hoping to bridge the gap in six months, we know that is not possible. But we want the countries of Europe to be members of the same team roped together to climb and master the mountain of difficulties they have at the moment.

First of all, we can help you in the fight against inflation. If we succeed in proving that we can impose on our American partners a new world monetary order in which Eurodollar dispersion and inflation do not create factors of instability and if we manage by Community loans to sustain economic activity for the year 1980-1981 then we shall be fighting against both unemployment and inflation.

Because recession — and past events are there to prove it — has never been a lasting cure for inflation. On the contrary, it increases the country's overheads and therefore discourages innovation and the propensity to invest. We must not let this recession come.

There is a common sense idea to prove it and you do not have to be a brilliant economist to see it. One country's imports are another's exports. If every European country cuts back its activity and its imports, that must affect the others for one simple reason and that is that 45 % of European countries' exports are to countries within the Community. These internal European exports account for one-eighth of the Community's GNP. I beg you, do not take that solution. It makes you think of a sinking boat in which one of the crew tries to save himself by climbing on top of the other eight. If, thinking « European », we already had the idea of this elementary cooperation in our heads we would be able to do it. Community loans would be the easy way out, we are told. But it would in no way dispense each country from making the necessary effort to control inflation because inflation, I admit, does cause unemployment. Let us not accept recession without a struggle, it was never a lasting remedy. And what about the discouragement it brings, the depression in the worst affected regions?

My second heading is solidarity but not just as a moral idea. Solidarity between European countries is the realization that none of us, faced with the tremendous challenge of the new conditions of international competition, soaring energy prices, and new progress in science and technology, can make it alone.

We must not be any more afraid of technical progress in the 20th century or the beginning of the 21st than we were in the 19th century. We can — mankind has proved it in the past — create wealth and create jobs but we have to see things from the right angle. If every country said inwardly: « help yourself and Europe will help you », solidarity would be simple.



Jacques Delors stressed the need for Europe to demonstrate greater cooperation and solidarity. In this context, labour will have to be « shared out » but in such a way as to result in an increase in jobs.

Solidarity, however, ladies and gentlemen, is also sharing available work. It is also showing to our youth and to women that we are not just setting up a committee on women's rights in Parliament but creating job opportunities for them. Sharing work is not working less at a time when we need to work more to cope with the oil crisis; it is finding work for more people. Here are a few simple figures: 1,5-3 %, depending on the country, of the gross national product goes on unemployment benefit, in other words paying people for doing nothing. The earnings lost by these unemployed workers is equivalent to 3-5 % of the gross national product and, at a time when all our countries are faced with a deficit in social security and when we are trying to keep the budgetary deficit within bounds in order to control inflation, do we have to be reminded that by putting hundreds of thousands of millions of Europeans to work we would have no difficulty in increasing our social security and budgetary resources. Our only real wealth is human potential and the best way to fight inflation is to mobilize the resources we have.

We are not asking for the moon or a magic « Open Sesame » password — as in another story — to growth and full employment, we are simply asking that at every level possible — Community level, national level, industrial level and firm level — everyone should do his or her duty, that there should be a Community directive to initiate a continuous dialogue, that the independence of the social partners should be respected, that the diversity of situation be taken into account, that the measures introduced should be progressive so that there is time to train these young people and women for the jobs available and that priority be given to those working in the most arduous conditions, my reference here being to the extra shift for shiftwork.

I was shocked to hear that, after dismissing the measures at the social level for the steel industry, the Council has once again deleted all reference to the steel industry from the Commission's proposal.

Do you think we can show our faces in our respective countries and explain the highly sophisticated and, incidentally, useful measures to create a healthier market if at the same time we do not demonstrate our intention to help workers and if we pay out enormous sums to retire people at the age of 52? Do you know what it is like to be unemployed at 52? Do I have to tell you that being out of work is like being ill or in hospital? If you have not been through it you cannot know what it is like.

We are spending enormous amounts to finance early retirement whereas with one-tenth of the sum we could finance extra shifts and jobs in shiftwork.

If I were asked to conclude by defining Socialism in one sentence — which is not mediaeval but eternal — I would say that our essential priority has always been, to quote Olof Palme this: « Society must be hard on the strong but gentler and more understanding for the weak ».



Marie-Claude Vayssade called for the balanced economic development of the regions on the basis of genuine overall planning.

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### Reducing regional disparities

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I would like dwell on one particular problem and that is the fact that the situation is perhaps aggravated by regional inequalities. In 1977 — these are the latest figures that the Commission could give me — regional unemployment in the nine country Community ranged from about 10 % in Calabria and Northern Ireland to under 2 % in Hesse in Germany, the average for the Community being about 4.2 %. It is not, therefore, simply a problem of unemployment in certain industries, there is also a serious problem of regional inequality and tackling these regional inequalities will also help to solve the unemployment problem.

One of the principles set out in the preamble to the Treaty of Rome, is that efforts must be made to bring about harmonious development by reducing the gap between the various regions. We are a long way from achieving this objective. The gaps are widening and the regions in which capitalistic growth had long ago generated lasting underemployment and which were largely the

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peripheral regions in the Community are now joined by regions hit by the crisis in certain industries: the textile and steel industries and shipbuilding. I come from one of these regions, Lorraine, affected by crises in first the textile industry, then coal and then steel. There are other regions like it in the Community — in Britain, Belgium, Germany and the north of France — which have the same problems of industrial structure and which, like Lorraine, are struggling to preserve their traditional industries, keep the jobs they provide and diversify as well.

It is true that Lorraine has received Community aid totalling over F 450 million in grants and six times that sum in loans — no mean figure — between 1975 and 1979. But why are the effects of this policy so slight? To my mind there are at least three reasons. Firstly it is dispersed aid, secondly it is episodic and unplanned and thirdly it does not really supplement national policies — it is uncoordinated. In the first place it comes from five different sources with their own procedures: the Regional Fund, the «guidance» side of the EAGGF, the European Social Fund, the ECSC Funds and the European Investment Bank. Each has its own objects and conducts certain types of operation that are out of phase in terms of timetable, operation selected and place to which the aid applies.

It is essential that the action of these funds be coordinated. I have received a report from the European Economic and Social Committee which analyses a project entitled «Integrated operation: Lorraine» and proposes a package of Community aid for a typical region like Lorraine, a region going through a crisis and a frontier region in the heart of Europe. I feel there ought to be many studies of this kind and that coordination should become a rule which would multiply the effect of each type of aid.

It also means that there should always be a study on the overall regional impact of all Community action put together, particularly as regards the Common Agricultural Policy.

Secondly the aid is episodic. It is given when there is an emergency which is like calling on the fire brigade to put out the biggest fires. The net result is that in Lorraine, where 6 500 steel industry jobs are going to be lost in the Longwy area alone in 1980, we are promised new jobs with help from France and the Community to be available in 1983. Where are the workless going to go during those three years?

So aid needs to be planned. This would allow Community criteria to be established and action under the various funds to be incorporated in an overall programme designed to bring about balanced economic growth.

Thirdly it is aid which does not really supplement national action. For my own country, at least, I can state that the aid relieves the central government of some of its contribution instead of being added to it to help regions in difficulty. So firstly we need to try to harmonize the system of State aid a little better and secondly to develop specification. In a press conference he gave last week, Mr Giolitti proposed that the ex-quotas should be increased from 5 % of the budget to at least 13.5 % or presumably more. I feel that these specific actions should be developed and that actions which can be financed should be diversified and linked to a broader concept of regional development. Industrial activities certainly need to be developed but so do social and cultural infrastructures. Lastly I feel we should increase the provision of information and our monitoring of the use made of these funds in all our European regions. I hope that when the new FEDER rules are drawn up at the end of 1980, they will take some of these problems into account. All these ideas are just rough outlines. One claim increasingly made by workers, at least in France, is that they want to live and work in their own country. The fight against unemployment therefore also implies a far more effective regional policy.





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## Taking up the fight against unequal opportunities

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Although I am Belgian, I shall not hold forth today about the exemplary victory won by the working class in Belgium with regard to the reduction in working time at the ACEC, where the workers won through in their battle for the 36-hour week which the right in this House claimed was so impossible.

I shall not return to this subject which has already been very well covered by several speakers in my Group, I shall simply say a few words about a more specific problem, that of the share of women in the unemployment totals, for they do not constitute just one category among many. The average at European level is 40 % and the figures in Germany, France and Belgium are 51, 53 and 60 % respectively.

It might have been hoped that such figures, which need no comment, would be sufficiently eloquent in themselves to spur efforts to find the right solutions. But no, the statistics show that, in Belgium for instance, whereas male unemployment went down by 29 % in 1979, female unemployment went up by 9.4 %. These figures certainly reflect the greater mobility of men but they also betray a sociological reflex on the part of society and of employers who regard female unemployment as less important, a kind of second-class unemployment.

The Socialists cannot accept this inequality of opportunity to exercise the right to work. My Group demands from the Council — even though it is not here — and the Commission, measures to cope with this category of unemployment, taking its specific aspects into account.

It is true that some policies have been brought in by the Commission since 1970 as regards equality of opportunity but they are not sufficient to the extent that they have, up to now, been too exclusively legal. The figures I quoted, Mr Vredeling, call for other types of more direct stimulants capable of bringing about a change in attitudes. We demand more intensive action under the Social Fund for the training of women of all ages and occupational skills in order to bring an end to the compartmentation of the labour market and more intensive encouragement to equal recruitment for training courses in the Member States. We demand more European involvement in education — and particularly secondary — education policies in order to end the segregation into female and male roles which deprives women of a substantial part of their capabilities and individuality. We ask for closer implementation of the directives on equality of treatment, by setting up a special service to deal with this subject, in order to ensure genuine mixed employment; we want the pilot experiments under the Social Fund to be increased and a special unit set up to train officials of the employment services in each Member State in order to make them aware of the need to submit requests applying specifically to this training of women. Lastly, in the Member States applying special measures offering temporary work for the unemployed, such recruitment should compulsorily allow for the same percentage of unemployed women offered temporary jobs as their percentage in the total unemployment figure.

In addition, the European Socialists do not feel that these short-term measures designed to reduce the number of women out of work in any way reduces the value of structural measures to promote the employment of women and to facilitate their entry into the labour market, and refuse to regard the crisis as a reason for encouraging women to go back to the kitchen as the parties of the right so often suggest. We therefore want there to be a structural framework as well and efforts to be made for the alignment of social legislations on the basis of the most-favoured working woman and in particular the review of aspects overlooked in the Third Directive on Social Security. We demand appropriate Community aid for Community facilities and services such as childminding centres, which free women from certain household or child-rearing tasks. If part-time working is introduced it should always be on an exceptional basis for men and women, and the social security advantages should be strictly commensurate with those applying to full-time working. The lack of community services, which may impel a working woman to take part-time work, should not reduce her to a cut-rate status with no entitlement to basic social rights. I come



Anne-Marie Lizin called for more effective action such as increased operations under the Social Fund and more vigorous surveillance of the implementation of directives in order to give real substance to women's rights in the employment field, which up to now have existed solely at the legal level.

from a country which saw the first strike of women claiming their rights under Article 119 of the Treaty of Rome and I have always held the conviction that, if it wanted to, Europe was capable of perceiving the potential for creativity and future development that there was in women's desire for access to employment. We women Socialists are convinced that this movement is irreversible sine its direction is towards freedom and for everyone independence and the expression of his or her own desired pattern of existence. In spite of these economic difficulties, or rather because of them, Europe should help this living force within it because that force is Europe's future.



I want to speak very briefly about the effects upon employment of the new microelectronic technology and whether microelectronics will bring about a revolution in the pattern of organization of work, or simply accelerate the present trends. This is largely a matter of definition, but what cannot be doubted is that the development of the silicon chip will bring about profound and sweeping changes in everyone's work situation well before the end of this century.

The present increase in unemployment is against a background of rapidly rising rates of increase in the size of the labour force, and also steadily increasing productivity. Yet the growth rate of the Community as a whole remains disturbingly low, around 3 %. Even if productivity continues to grow at only recent rates, and this is unlikely to be the case because the new technology will give a much higher rate of productivity, then the Community economy as a whole will need to grow something like 4 % per year just to keep unemployment at its present unacceptably high levels.

Now the number of people in work, remains the same now as in the early 1970's, but there have been significant changes in employment patterns. Agriculture has continued to shrink at a fairly constant rate in recent years, but employment in the secondary sector — the manufacturing sector — has also begun to decline. Until now this has been compensated by an increase in the service sector, which now provides more than half the jobs in the Community.

I want to stress this, Mr President, because it is in the service sector that micro-electronic technology will have its most immediate applications. It will allow for very large productivity increases where up to now investment has been very low.

Increasing the number of integrated circuits in colour television enabled the Japanese industry to raise productivity by a massive 233 % in four years. European manufacturers followed suit.

In my own constituency 2 000 workers last year were made redundant by just one television manufacturing firm. The manufacture of new electronic-based telephone exchange equipment needs only one worker where previously 26 workers were required to produce these exchanges. The use of integrated circuits in self-service petrol pumps has produced a loss of over 100 000 jobs in the United Kingdom alone.

But the most immediate job loss, as I have said, is likely to occur in the service sector. In my own constituency the local council has, by the introduction of word processors, increased output whilst more than halving the number of typist it employs. A United Kingdom insurance company has decreased its staff by 40 % after introducing word processing.

The French Nora and Minc report estimates 30 % job loss in banking and insurance in the next decade. The German company Siemens estimates that if productivity grows by 8 % a year over the next decade there would be a displacement of 25 % of office staff at past rates of output. This would amount to a displacement of 5 million, from 18 million clerical staff in Western Europe. If we assume only a 3 % growth in the Community economy over the next 10 years with productivity and labour forces growing at the present rates, we have an estimate of 9 million people unemployed by 1983 and 10.5 million people unemployed in 1990.

This does not take into account the effect of micro-electronic technology. In this period, half of the jobs will be in information processing. If there is only a 30 % displacement in this sector and only a 10 % displacement in the non-information sector, we have additional technological unemployment affecting 21 million jobs. This makes a frightening total of 32 million for Community unemployment in 1990.

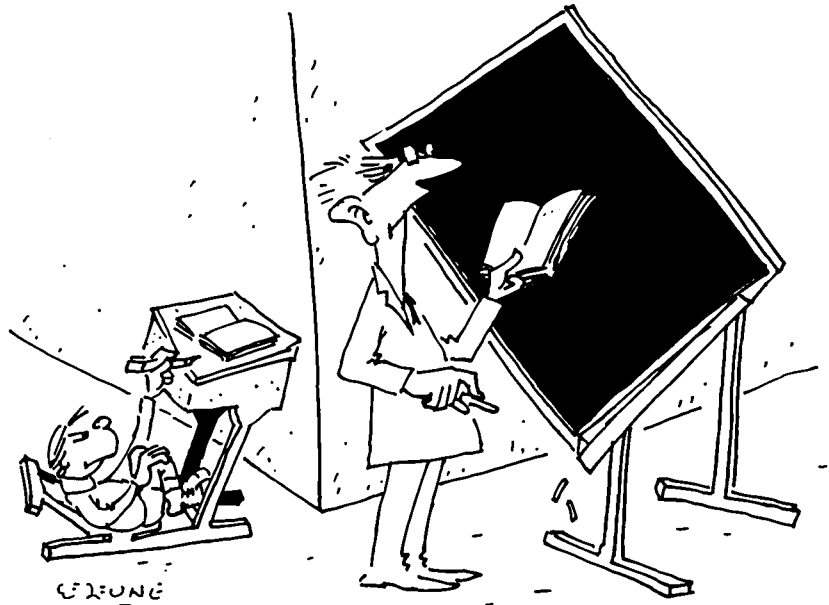
We must recognize the scale of the problem. It is not just a question of one or two jobs here and there, but millions of jobs right across the economy. I know some new jobs will be created, but nothing like the number we need, because



Barry Seal illustrated the advantages but also the dangers which new micro-electronic technology embodies for the organization of work.

the newly created industry will be extremely capital-intensive and will not provide the jobs. We must support the reduction of the working week to 35 hours as the first important step.

We will have to change our education systems, we will have to rethink economies. Micro-electronics can change the way of life of the whole world for the better, but only if we recognize and solve the problems early enough. A 35-hour week, Mr President, is the important first step.



Rolf Linkohr underlined the link between the target of full employment and an economy which is orientated towards research and development and which uses technology designed to respect environmental and energy requirements.

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### Many jobs could be created by transferring and stimulating demand

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I wish to discuss the question of whether people in the Community will find sufficient jobs even when there is a decline in economic growth and particularly when energy becomes scarcer and therefore more expensive. It is a question, therefore, of creating new jobs by means of a recovery of demand and demand for different products. It is to that part of our motion that I am now referring. This is a question which ultimately cannot be answered by one of the many scientific works and model calculations. It requires a political answer, all the more so as there is no general fixed connection between the consumption of energy, economic growth and the availability of jobs. Politics has in fact a wonderful opportunity to shape matters using all the links in this chain. One thing is certain: economic growth will decline, energy will become scarcer and more expensive and there are ecological limits to both these quantities.

But does this mean the end of full employment? Do we really need a growth rate of 4 to 6 % to keep everyone in work and so ensure a minimum of dignity and self-respect? And there is another question: do we really have enough time to adjust ourselves to these new challenges? Is there just cause for pessimism or, as some people in the European Community think, do we need an ascetic state of equal shares for all, or is it enough, by increasing energy prices, to call on the forces of the market to strike a new balance? Is it enough, as some speakers have demanded in this House to leave this problem to industry? Or is it not in fact a social responsibility from which the State must not be released?

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I should like very briefly to take up the question of whether technology is really our enemy, whether it is eliminating jobs. Allow me to quote a few down-to-earth figures on, for example, the effects of labour market policy on environmental protection.

In the Federal Republic of Germany about 220 000 jobs were filled every year between 1970 and 1974 as a result of environmental policy. The corresponding figure for the period from 1975 to 1979 was about 390 000. Despite the considerable financial burden on the economy a positive employment effect remains. In the USA environmental protection programmes have meant that as an average for the period 1970 to 1983 — part of the figure is therefore an estimate — while the rate of economic growth will fall by 0.5 % and prices will rise by 0.4 %, the unemployment rate will have dropped by 0.15 % because of the higher labour content of expenditure on environmental protection.

A 1977 publication of the Federal German Ministry of the Interior reaches the conclusion, and I quote: 'All the investigations that have been carried out in this and other countries into the question of environmental protection and employment have indicated a clear tendency for environmental protection not only to safeguard jobs but also to create new jobs.' Let me give you a few more figures on the effects on employment of various energy structures. The number of jobs which — and I am again referring to the Federal Republic — could be created by the year 2000 through the large-scale utilization of solar energy is very roughly estimated at 0.7 to 1.4 million. In European Community terms, several million jobs, safe jobs for skilled workers, could therefore be created.

Several objections can be raised to these estimates, but they at least go to show that solar energy, for example, not only opens up new paths in the energy sector but will also have a considerable effect on employment.

The effect on employment of specific measures for the substitution of energy in terms of capital and labour is — again in the Federal Republic — estimated as follows: in the construction sector, for example, the rational use of energy in buildings could create about 50 000 jobs and the installation of a long-distance heating system the creation of about 30 000 to 50 000 jobs for construction and 10 000 for operation. I will leave it to you to do the conversion for the Community or your own countries. You will arrive at similar figures.

These few examples will, I feel, suffice to substantiate the following proposition. Labour-intensive measures for the rational utilization of energy and the conversion of infrastructure in the 80s can be used both to offset the shortage of oil and the increase in the price of oil and to combat unemployment effectively. Secondly, the transformation of our industrial — and I might even say cultural — basis into a post-industrial society is a task for society as a whole. Europe must not leave its cultural traditions to the forces of the market.

It might therefore be advisable to make use of the time in which both energy and labour are available in sufficient quantities. The solution of the employment problem can be combined with the solution of the energy problem. And generally speaking, the sooner the structural change to a research and development-intensive economy involving a large service component and new energy-conserving and non-polluting technologies, the easier we will find it to achieve the objective of full employment in the Community.



In the opinion of Hans-Joachim Seeler, development aid, accompanied by a re-distribution of activity and an extension of free trade will in the long term be to Europe's advantage.

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## Contributing to the development of the third world

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I should like to refer in this debate to another aspect, which it can be assumed will very profoundly affect and change the structure of our economy and our labour market in the years to come. I am referring to the continuing industrialization of the Third World. We still regard development aid primarily as an act of humanitarian solidarity with the poorest countries of this world. But many of these countries, particularly those described as threshold countries, have in recent years developed an altogether efficient industry, which is now understandably pushing its products on to the European Community market in growing quantities. Many branches of industry here are feeling the pressure of this competition, the textile, steel and shipbuilding industries being just a few examples. Rising unemployment figures are the result of this trend. It must now be realized that subsidies granted by the Community and its Member States to maintain the present industrial structure and import restrictions on such products manufactured by the threshold countries provide little, if any, help and then only in the short term and are in fact short-sighted. We cannot on the one hand grant development aid to help the poor countries and their people and on the other hand close our markets to them and so make it impossible for them to trade with us. Developing countries will stop being sources of cheap raw materials als cheap labour for the wealthy industrialized countries.

Those who really want to help our industry and particularly the workers concerned, ladies and gentlemen, must actively encourage the structural changes that are required in our countries. The aim must be a division of labour with the Third World. The sooner this structural adjustment is made, the safer will be the new jobs created as a result. Europe's future lies in the new branches of technology, which the new industrial countries of the Third World will not be able to master in the foreseeable future. It is therefore necessary that we should have constant innovation and also a new quality of production.

The less productive activities must be increasingly left to the industrialized Third World countries. By carefully observing developments in the Third World, by supporting research and innovation projects, by always having up-to-date information, by assisting specific restructuring projects that become necessary and also by introducing moderate import arrangements during transitional periods, the Community will be able to pursue something like a forward-looking, preventive structural policy and thus help to prevent major upsets in the labour market.

Such constant adjustment to market developments is undoubtedly an important task, and one which should primarily be performed by industry. There must be public involvement in this development, it seems to me, because it is not only industry but also and probably to a much greater extent, the workers who suffer the consequences of wrong decisions. And industry and its decision-making structures are not without their faults. In the Federal Republic there have recently been examples of corporate mismanagement, which have had very serious consequences, leading in some cases to the bankruptcy of the companies concerned. It is then the unemployed workers who suffer, who walk the streets...

The development aid I have referred to, combined with an international division of labour and extensive liberalization of trade will lead to a substantial increase in trade between the Community and the Third World. After all, only developed countries, countries which have become wealthier, are able to buy goods and services from us in the Community and also to pay for them. So if by increasing development aid we help the Third World to greater prosperity, we shall also be helping ourselves in the long term and safeguarding the jobs here that will exist as a result of increasing exports to the Third World. Despite the concern present developments will cause us in the next few years there is every reason, I feel, for justified optimism in the longer term.

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## Partitioning of the labour market exacerbates inequalities

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Yvette Roudy criticized the increasing discrimination against certain categories of workers: women, immigrants, young people, the handicapped, etc...

At a time of economic crisis, as we know, unemployment spares no one, but it is obvious that it primarily hits a specific category of people, above all women, but also young people, immigrants and the handicapped. These social categories are always grouped together when there is talk of injustice and discrimination. It can therefore be said that, unlike others, these workers constitute a secondary employment market or a second market which it is too often forgotten is assuming increasing dimensions and in numbers will soon exceed the first. Under the present economic policy rationalization measures are unlikely to reduce the disparities between the first and second of these markets: on the contrary, they accentuate them and further reduce the status of these second-category workers, who find themselves in precarious employment situations, in interim posts, temporary work, as auxiliary or contract staff.

I shall not go into the specific features of the female workforce. That has been very well explained. I would add, however, that this second market and these particular categories of persons constitute a privileged reserve army which capitalism uses when it needs them and sends home when they are no longer required. The present trend in part-time work and temporary work is attracting huge numbers of these second-category workers and thus widening the gap even further between them and the first category. Between 1972 and 1977, for example, the proportion of men in part-time work in France rose from 1 to 1.16 % and that of women from 9.7 to 13.1 %. Let no one tell me that this part-time and temporary work is open to everyone. We all know very well that it is reserved for the second labour market, those who get the rougher deal.

It is also clear that certain strategies used in the fight against unemployment are explicitly based on the idea of withdrawing women from the labour market and also on sending immigrants back to their countries of origin. Has it been forgotten that the free market economy could not have expanded as it did in the 60s if it had not been for these under-privileged immigrants, who were encouraged to come and work in our developed countries and who are now being encouraged to go back home because we no longer need them?

I should just like to add a few words about young people: they have been referred to before. The delinquency or violence to which some young people resort is quite simply the expression of a kind of despair and of latent anxiety about the future that awaits them.

If we intend to respect workers, we must also recommend that there be an obligation to employ handicapped persons, that their integration into the employment structures be facilitated, that the necessary resources be allocated for the conversion of workplaces, that the principle be adopted that work must be adapted to the workers and, to a certain extent, to the difficulties these workers face.

Technical progress can be the greatest thing in the world if it provides an opportunity to acquire goods, to improve job security and to create free time for leisure and cultural activities. But it can be the worst thing in the world if it results in dismissals and the rejection of certain categories of worker.

A situation of this kind is not impartial. It is not the outcome of chance or fate, it is the product of a given economic order, which is structured in such a way that it always gives priority to the maximum growth of profits to the benefit of the few. With arrogant cowardice the present system, when in crisis, attacks the most vulnerable, the least skilled, the lowest paid, the weakest members of society. Socialists for their part feel that everyone must have an equal right to work. It forms part of human dignity and of a certain way of life. And that right must apply without distinction as to physical condition, race, colour or sex. If, and this is being done, the labour market is fragmented by offering part-time temporary work and the opening of private temporary employment agencies as a panacea, workers will inevitably be isolated and weakened and inequality will increase. The development of socio-economic ghettos has never been a sign of balance and democracy: on the contrary, it has been a sign of profound imbalance. We should be aware of that.





Richard Caborn described the serious problems of the British Steel industry and indicated measures which would make it possible to resolve the many conflicts in the industry.

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## Measures

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### to reduce working hours

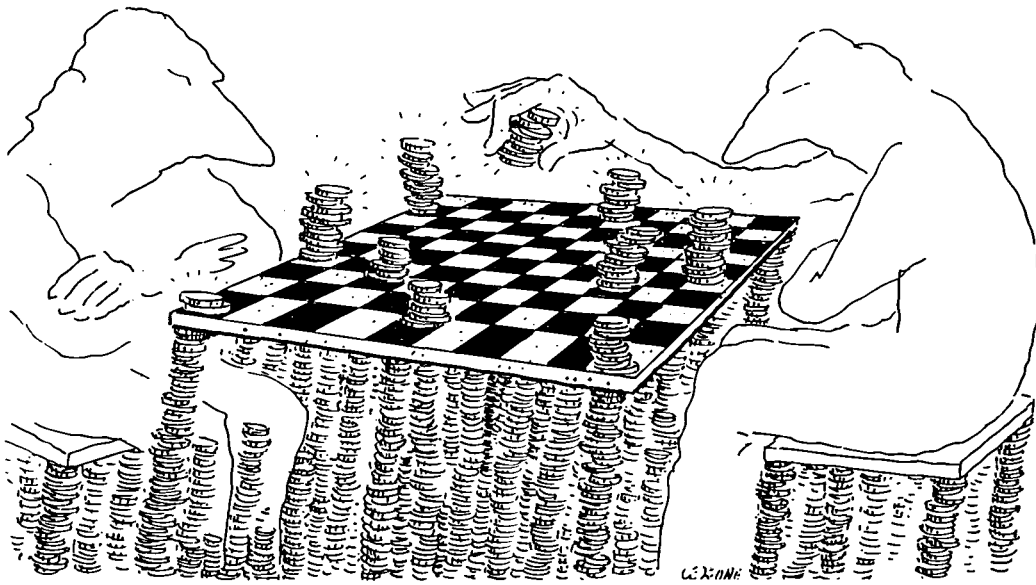
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One of the main points in the resolution tabled by the Socialist Group concerns the 35-hour week. It is intended to bring the struggles taking place in the Community to achieve this objective, and indeed the goal of a shorter working life, forcibly to the attention of this Assembly. Certain industries and sectors are more in need of urgent action for the reduction of man-hours than others. The steel industry is, I believe, one of them. It is an industry which is undergoing technological change, which has suffered and is still suffering recession, but which is still a major factor in the development of the manufacturing base of Europe, both practically and strategically.

The British Government's approach to this delicate and complex problem is unfortunately to follow the monetarist line. This has led to a reduction of the workforce by one-third — i.e. by 52 000 workers, in an industry that has already lost 100 000 workers over the last ten years — a 20 % reduction in capacity, the closing of flexible and indeed profitable plants and the destruction of whole communities in the United Kingdom. This has come about because the government has reduced state aid and imposed very strict cash limits.

The corporation's losses of last year were given as £300 millions. But it should be noted that £207 millions of that was in fact due to interest charges. That sum should have been used for investment in modernizing plant that had been allowed to decline under private ownership.

This most inhuman and brutal attack upon the British steel industry has been carried out with little or no consultation with the trades unions. It is little wonder that Commissioner Vredeling said yesterday that his knowledge of the British steel industry was in fact derived from the newspapers. Well, I have a message for Commissioner Vredeling: the trades unionists who in fact have invested their lives in the British Steel industry, have received little or no consultation from the Tory Government of the United Kingdom. The chief axeman, Sir Keith Joseph, is trying to achieve in three to six months what the Commission, in their restructuring plans, is hoping to achieve over three to five years. Some of us in fact do not wholly agree with the Commission proposals. The Minister has created the problems, thrown the industry into total conflict and walked away pronouncing that the problems have got to be resolved between the British Steel Corporation and the unions. This is the state of the British steel industry that has been brought about by the intervention of the British Tory Government. In 1980 this is not the way to tackle major problems. We believe that our resolution indicates the way to resolve the many conflicts in industry.




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### Going further than industrialist circles want

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I must say that it is somewhat difficult for me to find the courage as about the fiftieth speaker in this debate to say something about the reduction of working hours and employment. But I find my inspiration in other people's courage and above all by other people's misplaced courage as has become increasingly apparent today on the right wing, the courage to suggest for the umpteenth time that the reduction of working hours can primarily be used as a means of improving efficiency and the exploitation of machines and investments so that even more people can be dismissed straightaway, rather than using the reduction in working hours to achieve the only real objective for which it can be used, that is the creation of new jobs. Of course, those who speak about the reduction of working hours as a supplementary instrument for the creation of employment for more people cannot ignore technical innovation, I realize that. But, and this is the point at issue, they are referred to the need for the collective agreement, the APO in Dutch, but that is a slogan for which the trade unions still find little sympathy in others.

And when we hear today a large undertaking like Telefunken in Germany announcing its intention of restoring itself to health — a revealing expression, Mr President — by dismissing 13 000 people and when we then find in a motion for a resolution on shipbuilding and textiles, like the one we shall be discussing this week, the recommendation that Community aid should be used for the systematic elimination of jobs by means of the humiliating golden handshake, we can, depending on our nature, but fall prey to two states of mind: desperation and cynicism, at least if, and this is not, of course, the case with all of us here, if we have the fate of the workers at heart.

And when we look up the statements that have been made in the European Parliament in the past five years, we see that there has truly been no lack of firmly worded resolutions. The former Members of the European Parliament were critical of the outcome of the tripartite conferences, and they also stated quite clearly that the available work should be distributed by a system of reducing working hours, so that over a five-year period up to 1985 the volume of work performed by each worker might be reduced in a flexible manner by a total of 10 %. That was what my Socialist colleague Wim Albers proposed, but today we must ask ourselves if the Community can really achieve this by 1985. For the European Parliament, there has never been any doubt that only Community action will bring about a change in the trend, and that, it should be noted, is a conclusion which has largely been supported by the Ministers of the Member States, those hypocrites, but in the past five years it has nevertheless remained impossible for practical steps to be taken to combat unemployment. We find that the workers in the Community have gone empty-handed even though their organizations have cut back wage demands to an almost intolerable minimum in



Johan van Minnen pointed out that in the last five years, nothing had been done to combat the recession.

the interests of employment. Those who do not realize this today are making a travesty of this whole debate.

This new, directly elected Parliament now has the opportunity as the elected representative body of the people to state its views on a clearly worded resolution that has been tabled by my group, the Socialist Group, and the Commission in its present composition, which means that it must act this year, must do its utmost to make 1980 the year in which the luck will turn and in which there will be an opportunity of changing the trend towards the creation of new jobs and the better distribution of what work is available.

And the Council of Ministers has another chance to use the final budget, if we ever have one this year, to show that they really do want to protect tens of thousands of jobs in industries like the steel industry and that they are prepared to use funds to support the training and retraining of those concerned.

At this particular moment the reduction of working hours is not only more necessary than it has ever been; it will also be more difficult to achieve. And this, in one sense, is where the Council has a second chance to eliminate the impression that it is opposed to any real policy to the benefit of workers' living and working conditions, and this expression does not come from me, but from the President of the European Trade Union Confederation, who in a state of fury at the situation said as much in a letter to the President of the Council of Ministers.

But at the same time the Commission clearly has a duty to stop reflecting the views of others and to draw up its own programmes. It is not enough, Mr Vredeling, to say you feel stronger with Parliament's support. In its proposals the Commission must simply go further than what industrial circles say is possible. We can talk this over a hundred times, but that is what has to be done, and that, Mr Vredeling, is the Commission's clear duty.



Ove Fich referred to the dangers which unemployment amongst women poses for democracy in Europe. Work and training during one's youth is as important a right as the right to schooling in childhood and the right to retirement in old age.

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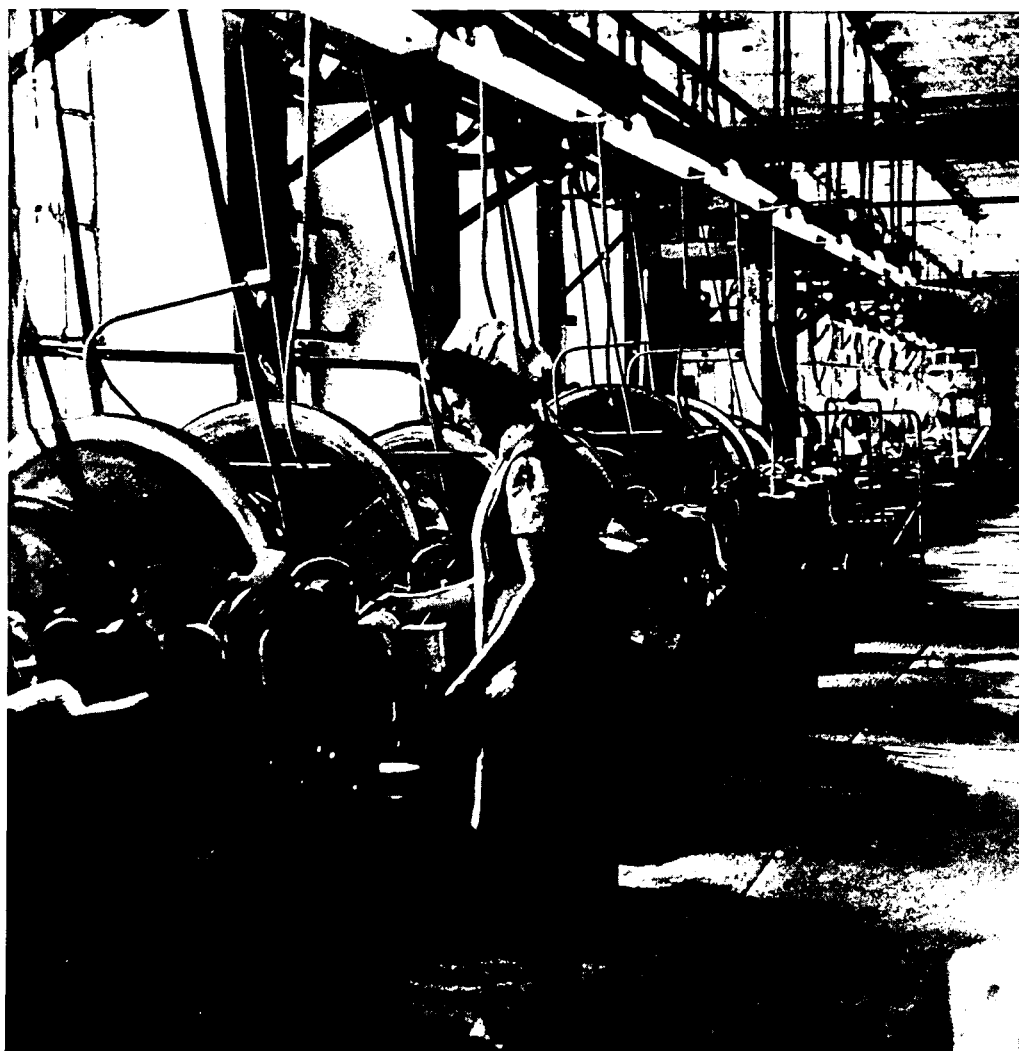
### What is being done to eliminate unemployment amongst women?

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Young people are in a desperate position, not just in our own countries, but throughout the world. There are millions of young enemployed with very little prospect of finding jobs at all. Of course youth employment is an aspect of general unemployment. But it has individual characteristics, and I should like to mention three of them.

For a start, one of our watchwords today is conservation. The only abundant resource in our countries is, as we know, a trained and experienced work force. What we are doing at present can be summed up as throwing away our only resource. We don't train young people and we don't give them job experience. One day we will pay for it. One day we shall need them and they will not be there. We cannot afford not to give them job experience or training if we expect them to come on to the labour market in five or ten years to give us the high production we are, after all, hoping to achieve.

The second aspect is the social cost. I am of course thinking here partly of the purely human misfortune involved. We know that it is disastrous to go straight from school into the dole queue and to stay there for year after year. We also know that it is the socially disadvantaged who are hardest hit by youth unemployment, which further widens social disparities. We also know that the cost in financial terms is high. We are creating social problems for which we will have to pay over the next fifty years. It would be cheaper to pay now to solve the problem of youth unemployment.



Thirdly, there are the political consequences of youth unemployment. Many of us in this Parliament are old enough to remember Facism in Europe. The others will have read about it. Similar tendencies can be observed today. I do not wish to be overdramatic, but there are Facist tendencies in some countries. Unemployed young people are easy prey in such a situation. Society has not given them anything, so what do they owe to society? The logic of the matter is clear. Those politicians who are neglecting to invest in solutions to this problem will be to balme if Facism again sweeps Europe.

I should like to conclude with a question. What are we going to do about youth unemployment? There is no shortage of reports and proposals. It is obvious that what is needed is a completely different strategy, a completely new determination at all levels, local, national and international, if these problems are to be solved. I myself do not believe that we will find the final answer to youth unemployment until we realize that young people must have a right to training and a right to work, just as there is a right to school education and an old age pension. The consequences of failure to accept this could be exceedingly dangerous. In the long term I do not think that young people will put up with the present situation.



Eileen Desmond called for an improvement of infrastructures and of the educational system. Any reduction in working hours should moreover be accompanied by measures guaranteeing an adequate level of wages.

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## Taking up the challenge of the future

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As Socialists we view the attainment of full employment as central to our ideal of a society based on justice and equality. The existence of a reserve army of unemployment not only demoralizes those unfortunate enough to be enlisted in that army but must of necessity have an enslaving effect on all workers and considerably reduce their options and potential for self-fulfilment.

This debate is therefore of fundamental importance to all of us in this group, but perhaps to none more so than those of us who represent areas such as Ireland in this Parliament.

Long before the crisis of the '70s, unemployment posed a very serious problem for us. We have never possessed the economic infrastructures required to create jobs on the scale needed. The lifting of protective barriers, coupled with the onset of the recession, brought our problems to crisis proportions in the '70s.

I must confine my remarks, however, to the question of the creation of employment and the preservation of one important unit of food processing in the constituency which I represent. The Irish Sugar Company is one of our most important industries, directly providing employment for some 16 000 people. That industry could be threatened by Community action in relation to sugar beet quotas. Should your proposal to reduce the quotas and abolish the higher intervention prices applicable to Ireland, the UK and Italy go through, it could have a drastic effect on employment and on the prosperity of the regions in which the factory towns are situated. Two of those towns, as I said, are in the constituency I represent. I therefore avail myself of this opportunity to plead that the interests of the workers of those towns be upheld.

Youth employment is of very particular concern to all of us. In Ireland 50 % of our population is under 25 years of age and our youth unemployment is above the Community average. The problem for us is also a long-term problem: we have therefore a vital interest in a comprehensive Community policy on youth employment.

We must commence, however, with the educational system, which many of our young people see as irrelevant to them and which does not meet their actual needs. Some guarantee of a particular job for a particular time must be linked with the educational and retraining programmes we will operate in the future for our young people. Chronic unemployment has a particularly devastating effect on young people and also has very grave social, economic and political dangers. I think our attitudes to policy formation must be based more on the recognition of the essential right of every young person to independence and prospects for personal development which the job for which he or she is suited brings to him or her.

The position of women workers has been dealt with adequately in Parliament today. That position requires very special attention. The proportion of women workers unemployed in the Community has gone up from 43 % in 1978 to 45 % in 1979. Drastic action is needed to compensate women for the discrimination perpetrated against them in the past in so far as access to and conditions of employment are concerned. Special working hours and parental leave must apply in the future to both sectors if justice is to be done to our women workers.

In promoting the idea of the reduction of working hours, I would just say that, while there has been opposition to this in the past it has in fact proved itself by increased production. Any further reduction, however, must be accompanied by provision for an adequate living wage. I believe that too often in the past, indeed even in the present, overtime has contributed an indispensable element of the living wage in far too many instances.

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44 % of unemployed persons  
in the Community  
are under 25

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As vice-chairman of the Youth Committee, obviously I want to talk about youth employment, but only very briefly.

The figures have all been given. At the present time there are two million young people under the age of 25 unemployed in the Community; they form 44 % of the total unemployed. Ten years ago the corresponding figure was 400 000. The total number of young unemployed has increased fivefold in ten years, and its proportion of total unemployment has increased too. The prospects for the future are not very encouraging either, since the number of young people reaching working age between 1980 and 1985 is expected to increase by one million. In Ireland, however, the young labour force will continue to grow until the end of the century as a consequence of its population structure. At present 50 % of the population is under 25.

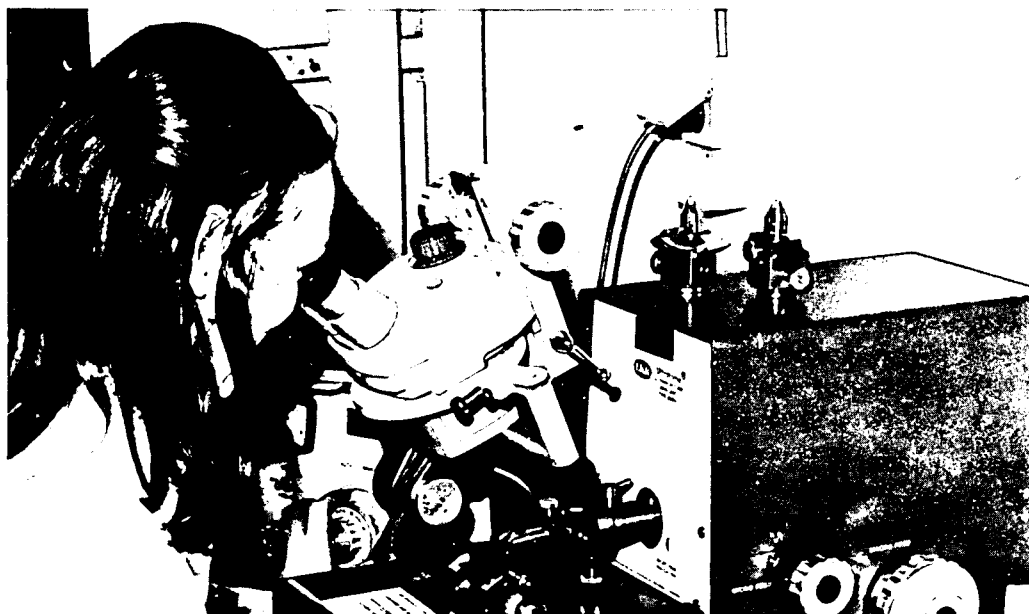
For Socialists the extent of the problem of youth unemployment is the most serious aspect of the present crisis in employment. Young people are brought up to believe that they have a right to a job, and they see that their significance in the eyes of society is measured in terms of their job. Yet our society, our economic system, does not provide them with a job, and this alienates so many of them. Some turn to violence, the vast majority become totally apathetic.

We in the Socialist Group have been concerned for some considerable time with trying to find solutions to this problem. Our group was the first in the old Parliament to raise the issue of youth unemployment and called for the Social Fund to finance measures for the retraining of young people. We have continually called for further Community measures to combat the problem. We have supported the Commission's proposal for extending the possibilities available under the European Social Fund. We have also endeavoured every year to increase the amount available for measures to combat youth unemployment in the Community budget.

However, though measures and aid for retraining are positive and beneficial, they do not provide many new jobs. The new measures under the Social Fund do indeed provide aid for projects to employ young people, but this is very new and at any rate only a small proportion are likely to benefit from it. I believe that the solution to the problem of youth employment lies in the measures proposed in the resolution tabled by the Socialist Group, namely, the creation of new jobs through public investment, coupled with improved education and training and coordinated with policies on career guidance and placement.



In his capacity as vice-chairman of the European Parliament's Committee on Youth, Liam Kavanagh called for measures to combat employment amongst young people and referred to the contribution which the Social Fund could make in this connection.





Roland Boyes denounced the hypocrisy of the British Conservatives who are acting irresponsibly « like a blind butcher slashing around in an abattoir ».

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## Forcing workers into unemployment amounts to cynicism

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It grieves me a little to hear the hypocrites across the floor talking about unemployment, when their government in Westminster is cynically and deliberately creating it. In fact, on every occasion, whether it was when the Wales TUC invited the Prime Minister to see the consequences of their action in South Wales, or when the Socialist members of the Social Affairs Committee, asked that the committee come to Britain to see the problem for themselves, the Tories rejected the proposals.

But this does not surprise me. What we have over there is a set of Tory pre-programmed robots without hearts. The mere fact that they look human is only the result of technological progress. No human beings could cynically make 50 000 people unemployed in the steel industry and give the workers — if they were given any opportunity to discuss it at all — three or four months to try and solve a major problem. I said in a previous debate that Sir Keith Joseph was acting indiscriminately, like a blind butcher slashing around in an abattoir. This time I have to say that he is deliberately removing the heart from all the steel communities with the efficiency of a skilled surgeon. In the case of Consett, he has not even got a patient. Consett, a mining area in the northeast of England, is profitable. Consett has been modernized and had a massive amount of capital investment. There is a need, as the Sunday Times editorial said this week, for small, flexible plants. We have had a very responsible workforce. We cannot say the same about British Steel Corporation management. Today's Guardian calls for an enquiry into the Corporation's stewardship. I support the Wales TUC in their call for the immediate dismissal of Sir Charles Villiers and his cohorts, and for their replacement by an interim management whilst an enquiry is carried out into their operations.



In favour of educational reform, John O'Connell pointed out the discrepancy between the requirements of the labour market and the educational system.

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## Adapting the educational system

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I am grateful for the opportunity of speaking on this issue. Firstly, I do not want to adopt a nationalistic approach to the problem, because as a European socialist, the unemployment problem in Italy, in Britain or in Northern Ireland, is as much my concern as that in Ireland, the country I represent. However, I do think that it is important for us to look very seriously at the question of unemployment. We as a Parliament will be judged by what we have done to solve it. We must say to the Council of Ministers, that we demand political action and that the political will must be there to solve the unemployment problem.

I was shocked to hear the Member from the Conservative benches say that military conscription was the answer. Hitler provided the same answer. He solved the unemployment problem by embroiling the world in war. As civilized human beings we cannot even consider this option.

I would like to mention an aspect of the unemployment problem which has been overlooked, namely the imbalance between supply and demand on the labour market. In my country alone massive unemployment goes hand in hand with a chronic shortage of skilled workers. I believe that the educational system is totally out of step with the needs of the labour market. We need to undertake a thorough overhaul of the educational system to equip our young people for jobs. This is one area which we in Ireland must tackle urgently, otherwise we run the risk of becoming the hewers of wood and the drawers of water of the European Community.

Finally, Mr President, I hope that today's debate will not produce mere pious platitudes and that this resolution will produce action.

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According to forecasts by international economic organizations such as the OECD, in 1980 unemployment in western industrialized countries will rise to over 20 million, consisting largely of young people and women, of whom approximately 7 million will be in the European Community. With inflation running increasingly out of control, these figures point to serious industrial unrest which may jeopardize the working of democratic politics in many countries.

It was for these reasons that the Socialist Group of the European Parliament decided to table a resolution which would commit the Community's institutions and the governments of the Member States to adopt full employment as their main priority. It should be a factor influencing every decision taken on economic and development policy and lead them to reject the alternative proposed by those who claim that inflation can be beaten by means of recession and mass unemployment.

The causes of unemployment are structural in kind and have to do, on the one hand, with the crisis in the economic system followed by industrialized countries since the Second World War and, on the other, with the accelerated process of industrial reorganization imposed by the multinationals by means of an unrestrained application of new technologies in order to increase their competitiveness. The microchip revolution, if not put to careful use, may have extremely serious social consequences.

This is not the place for a detailed analysis of the causes of the economic crisis which was indeed touched on by Socialist Members during the debate in Parliament. We must, however, be fully aware that unemployment not only demands specific aid measures in the social sector but, if it is really to be countered effectively, requires a profound change in economic, industrial and monetary policy on the part of both western governments and the Community's institutions.

In short, immediate measures must be taken to implement an active policy on employment integrated in a more general economic strategy directed towards a new type of development involving higher public spending and an industrial, agricultural and regional policy designed to overcome economic imbalances both within the Community and between the industrialized and developing countries.

Amongst these immediate measures, Community guidelines should be adopted on the reorganization and unification of the labour market and on vocational training and retraining, taking account of the processes of restructuring and the specific problems of young people, women and migrant workers. Similarly, an approach must be found to the problems of a new organization of work which will safeguard workers' human and professional dignity by extending their responsibility within industry having particular regard to the new technologies.

However, the issue which the Socialist Group has taken up with particular firmness in complete agreement with the position taken up by the European Trade Union Confederation has been that of the gradual reduction of working hours to 35 hours per week linked to the humanization of work and the creation of jobs partly by making greater use of productive plant in ways to be determined sector by sector. This is one of the main demands of the labour and trade union movement in Europe which may do something positive to alleviate unemployment particularly amongst young people and which we shall do our utmost to have realized. Another measure connected with work-sharing is that of regulating part-time work, particularly as regards close links between education and work which will help to put this more active policy on employment into effect. Furthermore, efforts must be made to reduce and eliminate systematic overtime, to lengthen holidays and to have flexible arrangements introduced with regard to pensionable age.

All of these measures, which will obviously necessitate Community legislation because of the need to avoid distortions of competition, must be conceived within a wider framework of measures to coordinate the Member States'



Mario Didò, calls for reduced working time in the framework of a planned economic programme.



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industrial policies. It is not possible for the Community to act to reduce production and employment in certain sectors in difficulty (steel, shipbuilding, textiles) if, at the same time, measures are not taken to guide and coordinate investment to develop other industries to take the place of those that are in crisis.

In actual fact the problems of restructuring and industrial reconversion which arise out of the new international division of labour and the enormous problems raised by the energy question increasingly require that an economic policy be planned not only at national level but even more at Community level in order to deal with the resulting social problems. This is the basic position taken up by European Socialists.



Willy Vernimmen analyses the effects of developments in micro-electronics on employment in Europe.

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### Developments in data processing

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The microelectronic revolution has already resulted in the loss of numerous jobs, particularly in certain key industries throughout Western Europe. The rate at which jobs are lost will further increase in the 1980s and along with it the level of unemployment in most countries, unless there is a change in government attitudes. Governments must find sufficient political will to pursue a really active policy and to use the additional resources resulting from technological development to improve working and living conditions.

Technical progress does not, of course, always lead to social progress. It can in fact result in social retrogression when workers' interests are sacrificed to the introduction of new technologies. From the outset workers must be prepared for the dangers or the difficulties of the third stage of technological development in the 80s by keeping the new developments under control by means of political action and collective bargaining.

I should also like to point out that the negative effect of the new technologies on employment will be felt first in industries manufacturing products in which mechanical or electro-mechanical elements have been replaced by microelectronic elements. The application of microelectronics to production has also influenced the choice of sites for new factories. There is a danger that a growing proportion of production and therefore of employment will be transferred to manufacturers of parts. For us this means a move away from Europe to the United States and above all Japan.

A second adverse effect on employment stems from the application of microelectronics to methods of industrial production. One example of the effect the introduction of this technology has had on employment is to be found in the printing sector in a number of Western European countries. A third negative effect is to be found in the service sector, for example the banks. While employment rose in this sector in the early 70s, it is now stagnating or even declining, notwithstanding the increasing demand for bank services. The 80s are likely to see the introduction of innovations in various branches of the service sector. There has, for example, been a substantial increase in Western Europe in the last thirty years in what is known as white-collar work. This tendency has even continued despite the present recession. But in the 80s white-collar work is in danger of decreasing as a result of the automation of office work. In addition, and as a consequence of the large numbers of women working in this sector, the jobs of female workers may well be hardest hit in future.

As regards the effect on working conditions, the introduction of microelectronics is resulting in the concentration of the employment of semi-skilled workers on the one hand and specialized staff on the other. From now on there will not, as a rule, be any more vacancies for skilled manual workers. I therefore feel I must ask very plainly how technological innovation will influence the existing pattern of work organization at the level of employment and of working conditions. Two important objectives in this context are the

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prevention of the erosion of certain occupations and an assurance of retraining opportunities. As technological innovation is central to all activities in companies and industries, I believe that new objectives such as the reduction of working time, wage increases and the improvement of the quality of manual work should be considered as a priority. If the trade unions exercises effective control, the introduction of new technology can result in economic expansion in the 80s. It then largely depends on the political decisions taken by governments whether this expansion will lead to better living standards and better employment rather than frightening unemployment figures. Both for social reasons and to keep employment up there must be an increase in non-commercial services in the 80s. The money required for this must come from the profits made by sectors producing or using technological products. Even if it is combined with a policy aimed at qualitative growth, technological innovation must make it possible to reduce working hours and increase leisure time in the 80s. Finally, I feel that the Western European governments must be involved in the development of the European electronics industry and coordinate their activities at European level in particular. It is high time this was done.

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## MOTION FOR A RESOLUTION

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tabled by Mr GLINNE  
on behalf of the Socialist  
Group

The European Parliament, recognising that priority must be given to the attainment of full employment in Europe since unemployment, which is steadily mounting, and has already thrown more than 6 million people — one-third to more than one half of whom, depending on the country, are women — on the dole and offers no future to young people, constitutes an immense waste; our most urgent task is to restore the dignity of the workers of the Community.

For this reason all major economic choices, whether they concern working hours — reduction in which would help to provide new jobs — the pattern of growth, options in industrial and regional planning or the development of public services and collective interests, must be governed by the efforts to provide full employment. Such measures would be in full accord with a policy to overcome all the structural and cyclical causes of inflation.

Believing that a considerable reduction in the working day end working week is an essential first step towards the creation of new jobs. The Community and the Member States must accept the need to introduce a 35-hour working week without reducing wages and accordingly work towards this end. Other solutions must include, in addition to measures adopted by collective agreement, a reduction in regular overtime and, in countries where such legislation exists, the reduction of legally permitted working hours;

Similarly, an effort should be made to increase paid annual leave and to provide more flexible pension schemes permitting retirement on full pension before the age laid down by law or contracts of employment;

The Community as a whole should also aim at introducing an additional shift in round-the-clock or shift work. This would improve the most difficult working conditions and stimulate the creation of new jobs;

To this end negotiations should be initiated at the appropriate levels with a view to drawing up a timetable for the reduction of working hours and to finding ways and means of introducing an additional shift, taking account of all the variables: humanization of working conditions, creation of new jobs, the utilization of capacity to the full and the need to remain competitive.

The European Parliament, in view of these considerations,

1. Calls on the Commission to take immediate steps to draw up a framework tripartite agreement or a directive for the purpose of promoting negotiations in all sectors to decide on a programme containing all appropriate measures to reduce working hours;

2. Requests the Commission to step up its efforts to protect workers' rights at factory level, to improve working conditions and the rights of trade unions, and to take as its model the most favourable work regulations in the Community;



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3. Regards as indispensable the implementation of a policy on adult education from which all workers can benefit. Special programmes should be set up for young workers seeking their first job, women who return to the labour market or enter it for the first time and for persons wishing to prepare for retirement;

4. Takes the view that a lasting improvement in the employment situation involves reviving demand based on unsatisfied traditional needs and on new needs connected with the quality of life and public services. This means seeking a different form of growth. For this reason there is an urgent need to encourage in all the Member States, by means of medium-term planning, more public projects, the spread of new social amenities and technical innovations, the development of new energy and industrial policies and efforts to eliminate existing economic imbalances between individual regions. This alternative form of growth should include new relations with developing countries, based on the principle of equality and increased aid to these countries;

5. In the same spirit of solidarity, also calls on the Commission to promote community actions and to coordinate national efforts in the fields of employment, training, housing, etc., designed to benefit migrant workers and their families;

6. Regards as indispensable public control of large-scale industrial concentrations, undertakings occupying dominant positions on the market and multinational firms. Similarly, investment decisions must be made subject to the right of information and inspection by each state and by the workers concerned;

7. With a view to making Community action in these areas more effective, urgently calls for the coordination of the different instruments at the disposal of the EEC: the Regional Fund, the Social Fund, the EAGGF, industrial actions and the financial operations undertaken by the Community and the European Investment Bank.

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*Publisher:*  
*Ernest Glinne*  
*Editor:*  
*Raymonde Dury*  
*3, Bd de l'Empereur, 1000 Brussels*  
*Tel.: 513.40.70/511.95.95*  
*Telex: 24 541*  
*Printed by Nevada, Brussels*

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