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SOCIAL AFFAIRS AND EDUCATION

Social Europe, published by the Commission of the European Communities, Directorate-General for Employment, Social Affairs and Education, deals with current social affairs in Europe. The review is divided into several parts: the first gives an overview of developments and current events in the fields of employment, education, vocational training, industrial relations and social measures; the second part covers conferences, studies and other information destined to stimulate the debate on these issues; the third part reports on the latest developments in national employment policies and on the introduction of new technologies. In addition, once a year, *Social Europe* supplies statistics on social trends in the Member States.

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Editorial

In February, the Commission presented the guidelines for its 1986 programme to the European Parliament. In this programme, the first to which I have contributed, the Commission sets itself the task of laying the foundations for the recovery of the European Community.

This ambitious programme carries forward the thrust of its predecessor, giving prominence to the positive development of the Community's social dimension and the gradual achievement of the European social area. It also emphasizes the need to pursue the cooperative strategy in economic policies and social relations in order to obtain sustained, lasting and job-creating growth in the Community.

This strategy, the only one capable of meeting the challenge that continues to threaten the European economy, namely, unemployment, has been welcomed by the Community institutions and both sides of industry, all of whom have offered to lend their constructive support, both at Community level and in each Member State.

The Commission therefore intends to intensify the dialogue already started with the two sides who, during earlier discussions, confirmed the importance they attached, in the context of the cooperative growth and employment strategy, to the completion of the large internal market, the parallel creation of a European social area based on common statutory provisions or collective agreements and control of the social aspects of the changes caused by new technologies.

The task now is to translate this consensus into collaborative action. To this end, and in accordance with the resolutions adopted at Val Duchesse, I plan shortly to invite the leaders of the European and national organizations of employers and workers to a meeting in order both to develop and apply the consensus of the social actors on the cooperative growth and employment strategy, and to define the social dimension of Europe by promoting a harmonization of employment and working conditions which also protects workers and enables enterprises to respond to the imperatives of profitability and competitiveness.

The Commission also proposes in this connection to encourage and develop forward management of regional or local job markets through close cooperation between employers' and workers' leaders, public and local authorities and those responsible for vocational training and education. In addition, in view of the difficulty of determining the complex effects and implications of new technologies on employment and the social field, the Commission will make every effort to improve the monitoring and analysis of sectoral trends.

The European social area will be more easily achieved as a result of the agreement reached at the European Council meeting in Luxembourg on 2 and 3 December 1985. The



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Member States' governments agreed to incorporate a new Article 118a into the Treaty which expresses their desire to improve the work environment, notably with a view to protecting the health and safety of workers. The Council will thus be able, acting by a qualified majority, to adopt directives laying down minimum requirements, without however impeding the creation and development of small and medium-sized enterprises or preventing the retention or introduction of more stringent protection measures.

Furthermore, as regards the management of the European Social Fund, the Commission will retain the main features of the 1985 guidelines which give priority to workers particularly affected by industrial restructuring and workers in underdeveloped regions.

Apart from these aspects of the social dimension which are directly concerned with employment and working conditions, the Commission intends to continue the work started at the end of 1985 aimed at increasing the mobility of young people within the Community. The Comett programme has reached the preparatory stage. I very much hope that the Council will adopt the Erasmus and Yes programmes in 1986, as they should enable over 130 000 young people in

the next three years to gain a practical knowledge of Europe, in a variety of ways (student courses in enterprises in another Member State, university studies in another Community country, youth exchanges).

These actions are designed to foster a deeper understanding of Community objectives in the new generations and increase the mobility of human resources; these are the prerequisites for a genuine, frontier-free area and for a people's Europe.

Manuel Marín

Vice-President of the Commission,
responsible for Social Affairs, Employment,
Education and Training

Part One

Actions and guidelines

Student and teacher mobility in Europe —

Erasmus opens the way to a European Community of establishments of higher education

Stirring times in Brussels. With the ink barely dry on the Comett programme, aimed at promoting cooperation between higher education establishments and industry, the outlines of a new programme are already emerging in its wake which, if approved in the next few months by the Council of Ministers of the European Community, looks just as promising for cooperation between higher education establishments in the European Community. Erasmus, the name of this latest addition to the chain of eloquent acronyms (Esprit, Race, Brite, Comett ...) is a programme aimed at gradually cementing European collaboration on research and education to a degree never before achieved.

What's in a name? In this case, more than meets the eye, as Erasmus is both an abbreviation and a symbol. Its full title is European Community action scheme for the mobility of university students, and the name was not chosen by accident. The life and times of the renowned Dutch scholar, Desiderius Erasmus (1469-1536) are seen by all partisans of free movement and mobility for academic staff and students as the embodiment of an academic Europe without frontiers, where seekers after knowledge accumulated their diplomas where they wished, in Heidelberg, Bologna or Oxford, and where their teachers felt equally at home in Paris, Leiden or Prague.

But the picture can be deceptive. Universities today are not the same as 500 years ago, neither in size nor as regards their function in society. Yet it is a fact that 25 years after the creation of the European Economic Community, European students are anything but mobile, whatever the reasons; of the 6 million or so students currently attending the 3 600 establishments of higher education in the 12 Member States, only 1% are from another Member State. It must therefore be concluded that little more than 3% of students have benefited from a stay in another Community country in the course of their studies.

This situation should change quite soon, thanks to Erasmus. On the basis of experiments conducted in the first ten years of collaboration between Community higher education establishments (the first action programme for education was only adopted in 1976), the new programmes proposed by the Commission constitute the first attempt to create the necessary framework for the development of cooperation between the higher education establishments of the Community (apart from the question of research, for which other measures have been taken or are envisaged). The aim of the programme is to 'move' 10% of students by 1992, the year set for the completion of the Community's 'internal market'.

Although the core of the Erasmus programme concerns students, what-

ever their branch, it is also true that the programme is chiefly designed to harness the intellectual resources of the Community in order to meet the challenges posed by technological change and the ever-growing competition on the world market. At the same time, the Heads of State or Government of the Member States, meeting within the European Council, who are to a large extent the instigators of the student mobility action programmes, emphasized the role that study visits to other Community countries could play in the birth of a people's Europe desired by so many. Three types of measures directly aimed at students have been provided to encourage them, namely:

- (i) grants,
- (ii) exchanges between establishments of higher education,
- (iii) better recognition of studies carried out abroad.

In addition, there are a number of important accompanying measures in the field of exchanges of academic staff and of information.

Study grants

The key concept underlying the Commission proposals (approximately 60% of the programme appropriations are allocated to this item) is the creation of a Community programme of study grants which on the one hand offers grants to compensate for the extra cost of studying abroad and, on the other hand, a more limited number of larger grants covering all expenses incurred abroad. According to Commission estimates, over 40 000 Community students will benefit from these grants in the first three years of the programme (from 1987 to 1989) during which time the Member States will to a great extent be responsible for managing the necessary appropriations. Several studies have shown that lack of financial support is one of the major obstacles to greater student mobility in Europe. The Erasmus programme will show whether this supposition is correct.

Apart from individual grants, Erasmus will provide funds to encourage student exchanges between establishments of higher education. Experiments conducted to date within the framework of joint study programmes have shown that the higher education establishments of two or several Member States are together capable of resolving most of the problems raised by mobility (recognition of diplomas, grants, set intakes). From 1987, 500 establishments will receive financial support from the Community each year for the development and carrying out of integrated student exchange programmes. In addition, there are subsidies for the promotion of intensive education programmes in which Community students and teachers would participate.

Recognition of study periods

There is good reason to believe that many students often hesitate to spend time abroad as they are not sure of obtaining even partial recognition of their diplomas. While one might wonder whether Erasmus had to face this problem, one certainty is that the programme bearing his name has a broad range of measures to remedy the imperfections of the present situation. More specifically, it provides for:

- (i) more active support for the Community network of national information centres for recognition problems (in the Federal Republic of Germany, this role is played by the information centres for training abroad set up under the aegis of the secretariat of the Conference of Ministers for Cultural Affairs);
- (ii) an experimental 'credit transfer' system based on American experiences;
- (iii) joint study programmes;
- (iv) better utilization of the possibilities offered by the rules on recognition drawn up by the higher education establishments as part of joint study programmes.

Teacher exchanges

The EEC officials in Brussels are not so far removed from reality as to imagine that mobility will make spectacular progress in a day by providing short-term, direct incentives. More subtle means are required, to create a climate in which students will want to stay in another Member State. Teachers play a leading part here: first, because they are often the source of the stimulus to study abroad, second, because the key to long-term cooperation between higher education establishments and hence, to student exchanges lies in the creation and maintenance of close cooperation between academic staff.

The Erasmus programme therefore quite logically allocated major appropriations to staff exchanges (which will also be used to finance the possible replacement of staff going abroad) and to a broad range of short stays which serve to pave the way for contacts between colleagues in different countries.

Information

The outcome of the efforts to increase student mobility in the Community will ultimately depend on the improvement of the structures employed to disseminate data on the possibilities of cooperation and stays abroad. To this end, the Erasmus programme will give 500 academics the opportunity to visit other Member States for a short time in order to learn about their systems of higher education. It will also provide more support for associations whose aim is to create European cooperation between establishments of higher education. A range of publications will improve the information available on the practical aspects of cooperation and visits abroad (the students' guide to the EEC published in cooperation with the Deutscher Akademischer Austauschdienst (DAAD) deserves a special mention in this context). The award of 'Erasmus prizes' to students and establishments that help to increase cooperation between higher education establishments in Europe should stimulate the in-

terest of these establishments and the media.

European network of establishments of higher education: a dream or a reality? The end product of the various Erasmus measures (should they be implemented) would be the creation of a broad specialized network of higher education establishments working together in all the EEC countries. Is this too impractical a dream? For many years, the promotion of mobility has been spoken of in conference after conference, but no changes have taken place. However, this time it seems that there is a chance that talk will be followed by action; rarely has there been such consensus for such a vast programme. Everyone, including the Heads of State or Government of the Member States of the Community at their summits in Milan in 1985 and Fontainebleau in 1984, the Council and the Ministers for Education of the member countries at their meetings in June 1985 and June 1983 and the European Parliament and its resolution adopted in Spring 1984, and all the Community bodies believe, as does the Commission, that measures should be taken in this field.

There is, for practical purposes, perhaps an even more important factor: the higher education establishments themselves are in favour of this initiative. At a meeting in Brussels in November 1985, some 400 representatives of higher education establishments and education authorities from all the Member States met representatives of the Community institutions in order to discuss cooperation between higher education establishments in the Community. The 26 working parties, divided up according to Member State, discipline and subject, drew very favourable conclusions concerning the first ten years of Community promotion. At the closing plenary session, the general rapporteur, Professor Jan Sperna-Weiland, former Director of the Erasmus University of Rotterdam in the Netherlands, summarized the participants' opinions as follows:

- (i) the financial aid allocated by the Community to the promotion of joint study programmes has proved to

be a very effective way of initiating student and staff exchange programmes:

- (ii) establishments of higher education should be far better informed about cooperation opportunities in the Community;
- (iii) appropriate measures should be taken to facilitate the recognition of study periods spent in another Member State;
- (iv) all training should as far as possible include study periods abroad and also far more practical training in industry, economics or management;
- (v) urgent measures should also be adopted to improve linguistic abilities of students and academic staff (particularly in the case of the languages of the 'smaller' Member States, to avoid an imbalance of mobility within the Community);
- (vi) the European Community should give far more support to cooperation between higher education establishments, both as regards student grants (notably in the form of partial study grants) and in the form of subsidies for the establishments. The EEC aid budget should also be multiannual and not simply annual.

At the end of February 1986, the 'Liaison Committee' of the national Rectors' Conferences also believed the

Community should increase the aid for cooperation between higher education establishments within the framework of the Erasmus programme.

The meeting in Brussels attended by Commissioner Peter Sutherland, at that time responsible for training, the President of the Council of Ministers for Education and the Vice-President of the European Parliament, was decisive in that it symbolized the cooperation that had been achieved so far between establishments of higher education. Since the introduction of the subsidies granted by the Commission, 493 joint study programmes have been created in a broad range of subjects:

Agriculture	6	(1.2%)
Arts/Design	18	(3.7%)
Architecture and Town Planning	41	(8.3%)
Management studies	53	(10.8%)
Engineering/Technology/ Data Processing	73	(14.8%)
Geography and Regional Studies	20	(4.0%)
Languages/Literature	54	(11.0%)
Law	30	(6.1%)
Medicine/Dentistry/ Psychology	26	(5.3%)
Natural sciences/ Mathematics	40	(8.1%)
Political and social sciences/ Economics/History	84	(17.0%)
Teacher Training	32	(6.5%)
Other	16	(3.2%)
Total	<u>493</u>	<u>(100.0%)</u>

There are also a number of joint study programmes primarily involving exchanges of academic and scientific staff who teach integrated courses in foreign establishments of higher education. The Community authorities also give considerable support to the joint preparation of teaching materials.

Although, with the exception of research on priority subjects, relatively little Community aid has been allocated to higher education, the adoption of the Erasmus programme (the Council is to decide in the next few months) should change this situation. The Commission budget proposals provide for appropriations totalling 175 million ECU for the period 1987-89. The Commission's premise, however, is that the finances can be found only by redistributing the Community's expenditure to ensure that the adoption of the programme does not impose further constraints on the Community budget.

But will the Member States be willing to commit themselves and pick up the gauntlet thrown by Mr. Peter Sutherland who, at the end of aforesaid Brussels meeting, recalled the words of Jean Monnet: 'If I had to do it again, I would start with education'.

Alan Smith

Equal opportunities for women — Medium-term Community programme 1986-90¹

The 1982-85 new action programme has come to an end. This date coincides both with the end of the United Nations Decade for Woman and the perspectives for the future defined by the Nairobi Conference.

The conclusions arrived at by the Commission in its assessment and evaluation of this action programme² 'show that, even if progress has been made, many projects still remain to be undertaken and that an overall and diversified policy is required to ensure concrete achievements in the area of equal opportunity'.

This is how the Commission expressed itself when introducing its 1986-90 medium-term Community programme of equal opportunity for women.

The 1982-85 programme² was an ambitious programme, to be carried out within a short period (3 years), which opened the door to a very sizeable broadening of the Community's role and policy in this field.

In particular the Community was able in many cases to launch projects which should be continued, to make proposals (in particular of legal instruments) which have to be adopted, and to carry out research and preliminary studies.

This lead role of the Community must therefore be continued, intensified and broadened. This is particularly important in a period of economic crisis where the most vulnerable categories of the population are particularly affected by technological and social changes and by unemployment.

We speak a lot about a citizens' Europe, but there has been little concrete success to date. The equal opportunity policy is one such success. This must now enter a new and more concrete phase, more able to meet present-day challenges.

General characteristics of the new medium-term programme

The new programme does not constitute any break with the 1982-85 programme. On the contrary, it represents, in many cases, a prolongation, a further development, and a more in-depth approach to the same programme.

One of its objectives, indeed, is to consolidate the *acquis communautaire* while aiming at a better implementation of existing provisions and the adoption of directives³ proposed under the previous programme.

It is from the same point of view of continuity that the new programme provides for the continuation and develop-

ment of a number of projects already initiated under the previous programme, in particular those involving networks for contacts and the exchange of information. At a time when dialogue between different areas of society is difficult and in a situation where equal opportunity does not always constitute a major concern of the traditional partners in this dialogue, these networks of contacts and exchange, which involve the persons and bodies concerned in the broadest possible manner, have made a very positive contribution in terms of both know-how and action. The number of networks will be increased from three⁴ to six⁵ and will be conceived more and more in terms of action.

This is indeed the second characteristic of the new programme: a greater orientation towards concrete action.

Both the legislative and political framework for this Community programme is already in place, even if it still needs to be supplemented and strengthened. We must now attempt to promote a modification of the present state of affairs by a concrete and pragmatic approach.

A substantial effort will therefore be undertaken to stimulate the development of 'positive programmes'⁶ in both

¹ Document COM (85) 801, available from the Office for Official Publications of the European Communities, L-2985 Luxembourg.

² Report on the implementation of the new Community action programme for the promotion of equal opportunity for women (1982-85), Document COM (85) 641.

³ Proposal for a Council Directive relating to parental leave and leave for family reasons; proposal for a Council Directive relating to the implementation of the principle of the equal treatment of men and women in professional social security systems; proposal for a Council Directive on the implementation of the principle of the equal treatment of self-employed men and women, including those working in agriculture, as well as maternity protection.

⁴ Implementation of the Directives, education and training, analysis of female employment.

⁵ The three new networks will be: Women and TV, cribs and nurseries, local employment initiatives for women.

⁶ Pursuant to the recommendation of the Council of 13 December 1984.



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the private and public sectors as well as local employment initiatives for women in all their different forms.

Though extremely different in nature, these two programmes have been conceived with a common objective in mind: to promote the integration of women in employment and in professional and social life in general.

Such an objective can only be reached if better account is taken of the specific problems arising in different categories. Surveys¹ and studies have demonstrated the aspirations, needs and specific problems of certain categories. In addition, sociological developments are emphasizing the increasing needs of certain groups (for example: older women, single parent families, etc.).

A particularly innovative aspect of the new programme consists, indeed, in a more 'targeted' approach, in particular with respect to the most vulnerable and/or disadvantaged social categories.

Such a programme will not be effective without the political will of all the actors concerned.

If the previous programme had a number of positive effects and provided a considerable stimulus (in particular with regard to 'positive programmes'), it was also severely handicapped by the absence of political will of certain persons and groups to support or introduce, for example, new legislative measures.

The governments will have to express this political will clearly by means

of a resolution proposed by the Commission. The Council of Ministers should demonstrate such willingness, on the one hand, by adopting the Directives proposed under the previous programme,² on the other hand, by demonstrating their commitment to implementing this programme.

The increased tendency of such bodies, groups and associations to look towards Community institutions, either for legislative or political initiatives or for concrete support of specific projects, was also noted.

¹ In particular the sample survey carried out by the Commission in 1984 on 'female employees in Europe'.

² Document COM (85) 801.

Such a tendency, whilst demonstrating the role of the Community as a leader and an example, should not be accentuated to such an extent that it leaves in the shade the responsibilities of the other players (for example: national, governmental and legal authorities, regional and local authorities, social and professional organizations, equality bodies, etc.).

The new programme clearly identifies the roles and responsibilities of each different set of players.

This 'distribution' of roles and the responsibilities further underlines the need for increased cooperation between all the players involved at Community level.

The Commission will continue to develop the existing contact mechanisms (The Equal Opportunity Consultative Committee, discussion with both sides of industry, networks for contacts and the exchange of information, etc.).

Closer cooperation with government representatives and a more systematic dialogue with various groupings and associations concerned with this problem will also be developed.

Finally the exchange of information between all players concerned needs to be better organized, in order to ensure greater cohesion and coordination of activities.

This programme contains a multiple policy. In a delicate field involving major social changes and subject to extreme prejudices, stereotypes and attitudes, simultaneous action should be undertaken in all the fields concerned to ensure the real effectiveness of ongoing policy and that this policy can fit harmoniously into overall economic and social policy. This multiple policy will need to result in action programmes on several fronts.

Projects for inclusion under this programme

The programme provides for seven principal fields of action, and the tasks of the Member States on the one hand and the Commission on the other hand are clearly defined.

1. Improved implementation of existing provisions

This is a major responsibility of the Commission, guardian of the Treaties. The implementation of Community provisions remains fundamental.

But the problem which arises here involves not only the correct transposition of Community provisions¹ into national legislation but also the proper interpretation and implementation of the same, as well as better use of the possibilities of recourse.

To answer this concern, the principal activities planned for the future include:

- (i) improving information available to and sensitizing in particular persons involved in implementing such legislation (conferences,² seminars, vocational training, individual and joint initiatives, etc.);
- (ii) developing mechanisms for the follow-up, control and further development of the provisions;
- (iii) at the Community level further developing the work of the group of independent experts in monitoring the implementation of the Directives on equality;
- (iv) reviving discussions with both sides of industry with a view to an improved implementation of wage equality (problem of professional classifications and work of equal value).

Lastly, and perhaps especially, a new Community legal instrument is planned which will give official recognition of the inversion of the principle of

the burden of proof in questions involving equality, which should permit the improvement of possibilities of recourse.

2. Education and vocational training

The promotion of equal opportunity will only be effective if problems are dealt with at the roots. This is why a very specific stress is laid on education and vocational training.

As regards education, a outline plan of action has been adopted at Community level³ including a broad range of programmes aimed at sensitizing and training all the players in the educational process, the improvement of guidelines, the promotion of a greater variety of teaching posts, the elimination of the stereotypes in teaching material, etc.

This programme will be used as a basis for national projects and will be supported at the Community level. A group of national representatives will be entrusted with the task of implementing this programme.

The 'widening of professional choices'⁴ network will continue to develop its promotion of wide-ranging measures with regard to both school education and vocational training as well as the implementation of the recommendations that it has drawn up.⁵

Equal opportunity is one of the main elements to be emphasized in the 'transition towards active life' programme.

¹ For which the normal procedures of the Treaty, and in particular of Article 169, apply.

² See in particular follow-up at the national level of the 1985 Louvain-la-Neuve Conference (cf. supra).

³ Resolution of the Council and of the Ministers for Education of 3 June 1985, OJ C 166, 5. 7. 1985.

⁴ Set up as action B 11 of the 1982-85 action programme.

⁵ See report drawn up by E Sullerot, coordinator of the group, in October 1984.

In the area of vocational training, we would point to the possibilities offered by the European Social Fund, in particular as regards training of women in non-traditional trades. So far only limited use is being made of these possibilities. All possible means should be used to encourage a better use of the Fund in this area. Experience has shown that publicity and information campaigns on the one hand and mutual support on the other (networks) are very useful in this area.

In addition, the Commission intends, via Cedefop, to promote research and activity programmes on various aspects of this question.

The specific problems of certain categories of women will also have to be dealt with. Studies are in hand and recommendations will be published shortly, for example, on the subject of women wishing to return to work, migrant women, young women and handicapped women.

Finally, based on the results of projects carried out to date, the Commission intends to propose Community project guidelines to allow it to promote, via vocational training programmes, greater male-female integration in various jobs.

3. Employment

Female employment still remains a matter of serious concern. Even if breaches have been made in several sectors and professions, a massive concentration of women in certain sectors and professions can still be observed. Additionally, economic and social changes, the economic crisis and the measures adopted to combat it have not always had any positive effect on female employment. Women are the first to be affected by the development of precarious forms of employment, and the general tendency towards 'flexibility' is not necessarily to their advantage. The increase in the female unemployment rate within the Community is more-over frankly worrying, especially if we bear in mind that women form the major-

ity of the 'army' of the long-term unemployed.

For this reason projects aimed at promoting female employment continue to figure large in the programme. These include:

- (i) the improvement of quantitative and qualitative information;
- (ii) coordination of specific measures in favour of women with overall economic and employment policies;
- (iii) scrapping of out-of-date protective legislation, with a specific emphasis on the prohibition of night work for young women;
- (iv) development of 'positive action' in various sectors and intensification of Community pressure in the business sector;
- (v) support of local employment initiatives, which are particularly interesting for women who find themselves faced with special difficulties (for example, in obtaining credit);
- (vi) development of taxation systems which do less to discourage women from working.

In addition, we should mention the innovative aspect of the programme which, for the first time, provides specific measures for certain categories which present specific problems (for example: single-parent families, single women, migrant women, handicapped women, women working at home, etc.). A greater degree of 'targeting' is particularly important following on more generalized action which has already been carried out.

Lastly, it should be stressed that the objective of promoting female employment in future-looking jobs is closely linked with the introduction of new technologies and their major impact on female employment.

4. New technologies

The development of the new technologies has major consequences on female employment. In this context, the

case of office automation is particularly revealing.

In addition, women are often less well-prepared to take up the challenge of the chances that these technologies can offer (inadequate training, traditional roles, etc.). Specific efforts need to be undertaken in their favour.

Those must be at all levels:

Education

Measures aimed at increasing the access of young women to teaching programmes relating to the new technologies and at initiating both girls and boys to the new technologies right from primary school level.

Training

The number of innovative initiatives should be increased. The vertical mobility of women should be encouraged in specific sectors of the new technologies. Training modules should be provided for, with the European Social Fund playing a major role in this respect.

Employment

Measures aimed at encouraging women to apply for and companies to recruit women in responsible positions in future-looking industries, making full use of the new technologies. Here too the European Social Fund has an important role to play if used properly.

Working conditions

The problem of working from home in telecommunication contact with an office will also be studied, with a view to setting up new guidelines, as well as the impact of the new technologies on the division between work and leisure.

The effect of the introduction of the new technologies on the health and occupational safety of women will also be the subject of research.

The effects of the new technologies on female employment will have to be taken into greater consideration in negotiations and discussions between the two sides of industry and in particular in the formulation of wage settlements.

Finally and perhaps above all the programme provides for publicity and promotional campaigns (prizes, booklets, seminars, etc.). We would point out in this respect that the Commission is undertaking a series of round tables in each Member State involving all the partners concerned. The Commission proposes, finally, laying down overall Community guidelines on the subject.

5. Social protection and social security

Certain traditional notions related to the concept of 'head of household' or of 'household' still often continue to govern the area of social security, leading to direct or indirect discrimination between men and women. Reductions and limitations of social security budgets lead, furthermore, to measures contrary to the principle of equality.

The Commission, which is seriously concerned about this situation, intends to ensure that, when revising their legislation, Member States adhere to the obligation fixed by Directive 79/7/EEC¹ to eliminate any direct or indirect discrimination.

Furthermore, the Commission will add to provisions already in force a new legal instrument involving important fields not yet covered by the existing Directive (for example: retirement age, widows' and widowers' pensions, family benefits, etc.). Work will be carried out towards a progressive individualization of rights which, in the long term, should make for a greater degree of equality.

Finally, the protection of pregnant and nursing mothers should be improved to guarantee adequate protection, on the one hand, and to abolish, on

the other hand, discriminatory effects on recruiting and careers, an area in which, it should be added, it is very difficult to strike a good balance.

6. The sharing of family and professional responsibilities

remains the ultimate basis of real professional and social equality. Publicity campaigns, on the one hand, and measures aiming at encouraging a better sharing of these various tasks on the other, form the basis of Community action in this area.

The Community's action will focus in particular on parental leave, the development of nurseries for children, infrastructure improvements (work scheduling, transport, etc.), the problem of older women and of help for the elderly and adaptations of working times.

7. Sensitizing and development of attitudes

Attitudes to the problem are changing, but moves towards equality continue to be blocked by negative and stereotyped attitudes.

It will be necessary therefore to develop larger and more specifically focused information campaigns in this area. This involves, on the one hand, continuing to develop traditional publicity aimed at women, whilst adapting such publicity to changing requirements. Furthermore, such campaigns must not be limited to 'preaching to the converted', thereby creating a 'feminine ghetto', but involve 'targeted' activities, aimed in particular towards those groups whose activities have a direct

impact on the question of equal opportunity (for example: family, parents', young peoples' and consumers' associations, etc.), and towards 'decision makers', in the broadest sense of the word, on both sides of industry.

In addition, more broad-based campaigns will be undertaken with the help of the media. To start with, a committee of TV organizations will be set up.

8. Lastly, provision has been made for greater funding

It is proposed to increase the existing budget by 50% to allow both the further development of existing projects and the implementation of the new projects provided for in the programme.

This programme will require a resolution of the Council of Ministers.

It will at the same time provide an occasion to test the political will of the Member States on this subject.

The Community programme has, indeed, led the way in this field. The Community, which has committed itself to taking up the challenge of a citizens' Europe, is presented here with the opportunity of demonstrating its will to move forward in what is an both an essential social question and a key element of the new humane Europe which it is seeking to create.

Odile Quintin

¹ Council Directive relating to the progressive implementation of the principle of equal treatment of men and women as regards social security (79/7/EEC) — OJ L 6, 10. 1. 1979, p. 24.

Helping the small firm to develop and grow

The business development programme of the Irish Management Institute

Background

Unlike most other countries in the EEC, Ireland has been experiencing a phenomenal increase in population. This is mainly the result of a sharp drop in emigration since the late 1960s from about 14 per thousand to an annual rate of four per thousand by the mid 1970s. Ireland today has the youngest population in Europe (more than half are under the age of 25) coupled with a high unemployment rate (over 17% of the labour force). Also under the influence of the EEC there has been a sharp drop in agricultural employment.

Given the increasing population, a change in the age structure, and declining agricultural employment it can only be expected that grave social and economic issues are facing the country unless more jobs are created.

In the 1960s and the early 1970s Ireland's industrial strategy relied mainly for job creation on the establishment of overseas industry and the encouragement of home based large industry. However towards the mid 1970s it was realized that large Irish industries have a low potential to create jobs and momentum from overseas industries could not be maintained in the long run. This places the spotlight on small Irish industry as a new potential for job creation.

It is against this background that the Irish Management Institute decided to launch the business development programme. It was felt that, while attractive investment grants, soft loans and tax incentives are major factors in stimulating industrial expansion, the development of small industry requires a positive response from the entrepreneur. Unless the entrepreneur is committed to expanding his/her company then incentives have little effect.

In addition there was considerable dissatisfaction with the traditional approach to training small business people at the IMI. While training courses were being well evaluated at the time it was known that very little was actually being done afterwards to implement the management technique being taught on these courses.

The first business development programme (BDP) was run as a pilot project in 1978 with help from a number of sponsors including Irish Government development agencies, Irish private sector companies and the Innovative Projects Section of the European Social Fund. The programme which had 18 participants lasted 18 months and was completed in June 1979. The second programme started in October 1979 and was completed in March 1981. The third programme started in October 1981 and finished in April 1983. It had 18 participants. The fourth programme commenced in April 1984 and finished in July 1985 with 17 participants. The fifth programme is planned to start early in 1986.

Objectives

The objectives of the business development programme can be summarized as follows:

- (i) to achieve significant growth in employment through profitable expansion;
- (ii) to draw up and execute comprehensive plans for future development of business;
- (iii) to establish good information systems for sound management control;
- (iv) to find new products and markets — particularly export markets;
- (v) to establish good labour relations, policies and practices;
- (vi) to train and develop staff at all levels to meet present and future needs of company;
- (vii) to develop the personal and management skills of the participant;
- (viii) to increase the confidence of the participant in himself and his ability to manage his company.

While these are the formal objectives of the programme it is probably fair to say that the BDP is about building confidence, learning and applying management skills, drawing up a corporate

strategy and motivating the business person to make it happen.

Main features of the programme

The main features of the programme are:

- (i) long duration — 18 months;
- (ii) two-day residential workshop each month;
- (iii) one day each month in-company practical application;
- (iv) experienced counsellor attached to each company;
- (v) active teaching — with participant's companies used as models wherever possible;
- (vi) experience sharing by participants through discussions, presentations, visits, etc.;
- (vii) a combination of various training methods designed to complement and reinforce each other;
- (viii) involvement of help agencies through a Liaison Committee;
- (ix) participants specially selected;
- (x) survey of training needs before course is designed;
- (xi) regular review and built-in flexibility to respond to needs as they arise;
- (xii) continuous and regular evaluation of progress;
- (xiii) continuous emphasis on application throughout programme;
- (xiv) participants encouraged to set regular goals which are reviewed each month.

Training methods

The business development programme is unique not in any one feature but in the combination of activities blended together to achieve the desired

result. Among its training objectives is to build up the confidence of the participant in himself and in his ability to deal with others. This is done by giving him management skills and helping him to apply these skills in his own company. It is also achieved by creating conditions for the participant to share experiences with other participants on the programme. As one participant on the programme said '... we felt that before we started we all had individual problems and that no one else had these problems. We found that almost everybody had the same type of problems and we were able to talk about them quite openly'.

Another objective is getting the participant to draw up comprehensive plans of the development of his/her company. This is done in stages firstly by getting participants to individually write scenarios for the next 10 to 15 years and secondly discussing these with the group. They then draw up general objectives for development and again after discussion produced more detailed plans and projections covering three to five years.

In order to do this, it is necessary to give the participants knowledge of finance, marketing, organization structures, general management, etc. This is reinforced by asking for presentation of plans and allowing other participants on the programme to evaluate them.

It is the combination of a number of individual training techniques which achieve the desired results rather than any single one.

Results

It is difficult to measure the results in quantifiable terms but most companies have experienced substantial growth in sales employment and profits. In some cases while the number of employees has declined the firms in question are now much more stable and profitable.

Participants on the second business development programme expected to create over 400 extra jobs between them — an increase of 60%. While this was probably too ambitious especially in view of the recessionary conditions prevailing in Ireland a recent survey of a sample of 10 companies on BDP 2 showed an increase of 185 or 42%. Companies who have completed the third programme in April 1983 expect to increase employment by 150 or 33%. By summer of 1984 they had shown an increase of 80 people (18%) and were still growing. This has been achieved in continuing recessionary conditions where manufacturing employment overall has been declining. BDP 4 expect to increase employment by 300 or 55% over five years.

One of the most striking improvements was in the area of exports. Out of a sample of 42 companies from all three programmes 31 (almost 75%) are exporting. The 31 exporting companies showed an increase in exports between them of 110% in the period 1981-83; BDP 1 increased by 137%, BDP 2 by 179% and BDP 3 by 60%. In the same period total exports of all manufacturing industries in Ireland increased by 45%.

The future

There is little doubt that the programme has been successful and has achieved what it set out to do. It is intended to run similar programmes in the future provided sponsorship can be obtained.

Now that the programme is well established certain cost reductions can be made without reducing effectiveness. While the cost per participant may appear high at about IRL 10 000 the cost per job created is about IRL 1 200. This compares very favourably with other job creating initiatives in Ireland.

Transferring the programme to other countries

The first programme which was run in the period January 1978 to June 1979 was run as a pilot project partly sponsored by the European Social Fund. One of the requirements of sponsorship was that the programme could be transferred to other Member States.

To date, the programme is up and running in three States in Austria — Vorarlberg, Wien and the Steiermark — in Finland and in Denmark. It was due to start in Greece and Iceland in the autumn of 1985. Portugal plans to start in early 1986 and a number of other countries including Spain and France have expressed interest.

Chris Park

The labour market in Spain and Portugal

On 1 January of this year, the Community's labour market acquired a whole new dimension with the accession of Spain and Portugal to the Community. The population has increased from 270 million to over 320 million and the labour force has increased by 15% to nearly 140 million. As might be expected, this has also brought its own problems: unemployment in the Community of Twelve is estimated to be some 25% higher than in the Community of Ten, at over 16 million, or 11.3% of the total labour force.

In terms of the absolute size of their labour force and employment, Spain and Portugal rank fifth and seventh largest respectively in the Community. In relative terms, Spain's labour force at 13½ million is some 55% of Italy's at 24 million (fourth largest), while Portugal with 4½ million is comparable to that of Belgium (4.2 million).

As shown in Table 1, the effect of years of slow growth and the recessions following the two oil shocks on employment and unemployment has been somewhat different in the two countries. In Spain, all the labour force aggregates with the exception of the female labour force have declined. Unusually among Community's countries¹, despite a rising total population and a rising population of working-age, the total labour force has actually declined over the 10-year period 1974-84, albeit by a relatively small number. This, combined with the very high unemployment rate and an end to easy outward migration, suggests that there is a significant 'discouragement' effect at work as unemployed people, particularly those in the younger age groups, give up the search for work altogether in the belief that no jobs are available and simply leave the labour force. Nevertheless, this 'discouraged' part of the population should in fact be

counted as part of the potential labour force, since evidence from other Community countries suggests that, when employment prospects improve, these people will return to the labour force 'proper'. In this case, there is the phenomenon, observed elsewhere, of an expanding labour force and increasing employment, with no apparent effect on unemployment.

Another sign of this marked tendency to drop out of the labour market in a context of falling employment and rapidly rising unemployment is shown by the trend in activity rates, which measures the proportion of the working-age population which is either working or

¹ See 'Employment and unemployment in the Community: some facts and trends' — *Social Europe* No 2/85 July 1985.

Table 1: Labour market indicators

	Spain			Portugal		
	1974	1982	1984	1974	1982	1984
Population ('000)	35 147	37 961	38 387	8 650	10 030	10 089
Labour force ('000)	13 790	13 584	13 378	4 048	4 355	4 536
of which M	9 992	9 756	9 324	2 499	2 548	2 681
F	3 798	4 008	4 054	1 549	1 807	1 855
Employment ('000)	12 924	10 876	10 477	3 767	3 959	4 155
of which M	9 254	7 682	7 439	2 260	2 376	2 522
F	3 670	3 193	3 038	1 507	1 583	1 633
Labour force share (%)						
M	71.6	70.6	69.7	60.0	58.5	59.1
F	28.4	29.4	30.3	40.0	41.5	40.9
Activity rate (%) ¹	62.8	56.3	55.5	74.4 ²	72.4	65.6
M	92.4	80.0	78.6	97.7	85.1	84.0 ³
F	34.0	33.0	32.7	53.7	53.6	53.2 ³
Employment-population ratio (%) ⁴	58.8	46.9	43.7	69.2	63.4	60.5

Sources: Eurostat, OECD.

¹ Labour force as a proportion of the population aged 15-64 of the same sex.

² Labour force data include a significant number of persons aged less than 15 years and 65 years and over.

³ 1983.

⁴ Total employment as a proportion of the total population aged 15-64.

seeking employment, down by 7 percentage points over the period, from 63% in 1974 to below 56% in 1984. This is atypical of the trend in other Community countries (EC 10) where the activity rate fell by only 2 percentage points from 66.5% in 1973 to 64.5% in 1984, although the working-age population was growing extremely rapidly over most of this period. Moreover, while the decline in male activity rates (down by 14 percentage points over the period) is consistent with the trend in the Community as a whole, the trend in female activity rates, which remained virtually stable compares unfavourably with the Community average, which rose by some 4 percentage points over the same period.

The key indicator of the severity of the decline in the Spanish employment market is the employment-population ratio, which measures the proportion of the working-age population which is actually employed. The fall in this ratio from nearly 59% in 1974 to only 44% in 1984 shows how hard-hit the Spanish economy has been. In the Community of Ten, this ratio had declined by some 8 percentage points to 57% by 1984 — only just below the level at which this had been in Spain in 1974. If Spain were to achieve an employment-population ratio of 57%, equivalent to the average for EC 10, it would have a total employment of 13.6 million — greater than its apparent labour force, and only just smaller than its labour force in 1974.

In reality, the fall in total employment, from nearly 13 million in 1974 to only 10.5 million in 1984 was greater than the fall in employment for the whole of the Community of Ten taken together (109 million in 1974 to nearly 108 million in 1984). Unlike most other Community countries (and this is also reflected in the activity rate), this fall in total employment has not just affected men. Although the main brunt of the decline has been in male employment (down by 2 million), female employment also fell, by some 600 000. In the rest of the Community, a significant increase in female employment has served to offset the very sharp fall in male employment.

Nevertheless, recent national data suggest that the high job losses recorded in 1983 and 1984 came to an end in 1985, when positive but modest employment growth was recorded in the first nine months.

By comparison, the trends in the labour market aggregates would suggest that Portugal has fared somewhat better. The employment population ratio declined by less than 9 percentage points to 60.5% (higher than the EC 10 average), reflecting the small, but nevertheless positive rise in employment of nearly 400 000 over the period, despite a substantial rise in the total labour force.

The implications of the trends in activity rates in Portugal are difficult to interpret from these figures due to the unreliability of the data for 1974, when the labour force data also include significant numbers of people aged less than 15 years and 65 years and over. This is also true for the relative positions of men and women on the Portuguese labour market, but while it would appear that the activity rate for men is declining to a figure very close to the Community average, the position of women seems to be somewhat more favourable than usual, with a labour force share of around 41% and an activity rate of around 53%. Unlike most other Community countries, however, this appears to be a historical phenomenon, rather than a steadily rising trend: neither of these two indicators altered significantly over the period and the rise in total employment was shared almost exactly in line with the relative share of men and women in the labour force.

These developments may have much to do with the sectoral and structural nature of both Portuguese and Spanish employment.

Table 2 shows the trends in employment by sector and how the structure of employment by sector differs in two main respects from the average for the rest of the Community. The first feature to note is the importance of agriculture in total employment in both countries. Despite significant falls over the period, the share of agriculture is still well above

the EC 10 average of around 7%, and only Greece (28%) has a larger proportion of its workforce employed in agriculture. With 17.5% and 9.1% respectively, Spain and Portugal account for nearly 27% of the Community's total agricultural workforce. The second feature to note is that while the trend in sectoral employment has been similar in both Spain and Portugal to the trend in the rest of the Community, with declining shares in agricultural and industrial employment being matched by increasing shares in employment in services, the share of services remains well below the EC 10 average as yet.

This is perhaps less marked, however, in Portugal, where industrial employment has actually expanded in absolute terms during the period (although its share of total employment has fallen slightly) and a sharp fall in agriculture has been matched by large increase in services. It should be noted, however, that social and political developments in the two countries in the period concerned have greatly influenced the trends in employment, particularly in agriculture and industry. The upheavals of the collectivization movement and the later return of the large land-owners may not yet be reflected in the figures for agriculture in Portugal, where 21% of workers in agriculture in 1984 were employees. Similarly, the figures for employment in industry are probably artificially high because of the problem of 'non-payment of wages': because employers are forbidden by law to make workers redundant, they simply do not pay them, but they are still counted as employed.

In Spain, the sharp fall in total employment noted above has been in both agricultural and industrial employment, while the growth of services employment has been largely insufficient to cope with it. This comparatively more serious deterioration has been attributed to a series of factors whose effects were particularly felt during the middle to late 1970s: the coincidence of the economic crisis with the transition to democracy; no adjustment to the changed energy price/input situation; spectacular growth in wage costs, particularly in industry; and the lack of an in-

Table 2: Sectoral employment trends

	Spain				Portugal				EC 10
	1974		1984		1974		1984 ¹		1984
	Number ('000)	Share %	Number ('000)	Share %	Number ('000)	Share %	Number ('000)	Share %	Share %
Agriculture	2 994	23.2	1 868	17.8	1 312	34.8	969	23.3	7
Industry	4 796	37.1	3 397	32.4	1 300	34.5	1 388	33.4	34
Services	5 134	39.7	5 213	49.8	1 155	30.7	1 798	43.3	60

Source: Eurostat OECD.

¹ Estimates.

dustrial policy designed to steer the economy towards activities matching the changes in demand, the international division of labour and competitive positions.

Thus, the apparent contrast between the two countries, which also shows up in Table 3, on unemployment, may be less sharp than at first appears. According to figures based on the Community's labour force sample survey¹ and the subsequent trend of registered unemployment, the unemployment rate in Spain in Spring 1985 was the highest in the Community, at 21.9% of the labour force, compared with 18.0% in Ireland and the remainder (except Luxembourg) in a range from 7-12%. On this measure, Portugal, with 8.5% falls well within the norm for the majority of Community countries, but as remarked above, this figure may be affected by the number of 'unpaid' but 'employed' workers.

It is interesting to note that the differences between the male and female unemployment rates, particularly in Spain, are much narrower than is common in many Member States, but also much narrower than is usual from registered unemployment statistics. This is partly a reflection of the relatively lower female activity rate in Spain, but also of the fact that these figures are a much more reliable and comparable measure of relative male and female unemployment rates, being less affected by national

rules governing registration and qualification for unemployment benefit.

Spain also has the highest unemployment rate among young people under 25 years of age in the Community, which can be explained by the severe loss of job opportunities in the Spanish economy in recent years. Of the other Community countries, only Italy, with 35%, has a youth unemployment rate approaching this level. Portugal, with a

youth unemployment rate estimated at 20% in Spring 1985, is within the norm for the other Community countries, although its adult unemployment rate (25 years and over) is well below the average. This may be explained partly by the blockage of employment by adults, but

¹ See Eurostat 'Unemployment' monthly bulletin.

Table 3: Unemployment

	Spain	Portugal
Number of registered unemployed ¹ ('000) — Dec. 1985	1 125.1	194.6
Unemployment 1985 average ²	21.5	11.5
Total unemployment rate (spring 1985) ³	21.9	8.5
Male unemployment rate (spring 1985) ³	20.5	6.3
Female unemployment rate (spring 1985) ³	25.1	11.5
Youth unemployment rate (spring 1985) ³	48.2	19.9
State of young people (16-24) in total unemployment (1984)	49.7	53.6 ⁴
Share of long-term unemployment in total (1984) ⁵	32.1	44.6 ⁶

Sources: Eurostat, OECD.

¹ National definition.

² OECD forecast.

³ Eurostat estimates based on the results of the Community labour force sample survey 1984.

⁴ 1985 national labour force survey.

⁵ Unemployed for more than 2 years.

⁶ National estimate — unemployed more than 12 months.

also by a lower school-leaving age (12 years) than usual in the Community which gives a much larger potential youth labour force.

This might also explain the fact that provisional data from the 1985 Labour

Force Survey indicates that some 85% of all long-term unemployed in Portugal are under 25 years old, where long-term unemployed make up nearly 45% of total unemployment. This is clearly a much more severe problem than in Spain as yet, where 32% of total unem-

ployment is made up of very long-term unemployed. This is no doubt partially the result of the fact that the biggest increases in unemployment in Spain are relatively recent.

Andrew Chapman

Community aid to Portugal in the area of vocational training

On 3 December 1980 an agreement was concluded, in the form of an exchange of letters, between the European Economic Community and the Republic of Portugal, concerning the granting of pre-accession aid to Portugal.¹

Background

Six feasibility studies covering the regions of the North-East, the North Coast, the Centre, Alentejo, Lisbon and the Algarve were made between the start of 1981 and the start of 1982 with Community support. These studies were designed to assess the socio-economic situation in each of these regions and determine their vocational training needs.

On the basis of these studies, the Portuguese authorities submitted a project to the Commission concerning the setting up of 10 new vocational training centres. Through its decision of 8 May 1984, the Commission approved this project, within the framework of the pre-accession agreement, awarding a grant of 15 million ECU, broken down as follows: 10 million ECU as a contribution to the infrastructure work of all of the 10 centres, most of which will be inland,² 4 million ECU for capital costs (machine tools, electrical equipment, specialized tools and other technical, educational aids) at three of the centres (those in Braga in the northern coastal region, in Vila Real and in Bragança in the northern inland region), and 1 million ECU for teacher training in the wide sense of the word since this also includes future staff to run and manage the centres.

The first calls for tenders for construction of the centres were made at the start of summer 1985 and the first centre (Bragança) is expected to open at the end of 1987, followed closely by the nine others. The network will thereby be operational before the end of this decade.

Positioning of the new centres in relation to existing vocational training structures

The 10 new centres will complement the existing Ministry of Employment scheme which comprises, on the one hand, 7 traditional centres and, on the other, 18 specialized centres working on the basis of formal agreements with a

certain number of industrial branches or sectors.

Given that, apart from this scheme, there are a whole series of training structures under the supervision of other Ministries (Ministry of Education, Ministry of Agriculture, Ministry of Industry, Ministry of Transport, of Tourism, etc.), and bearing in mind the very clear under-utilization of the traditional centres, the question arises as to whether it is really necessary to set up 10 extra centres.

In response to this question, it should be pointed out that the new centres will complement existing structures, which have been placed under the Ministry of Employment, in three respects:

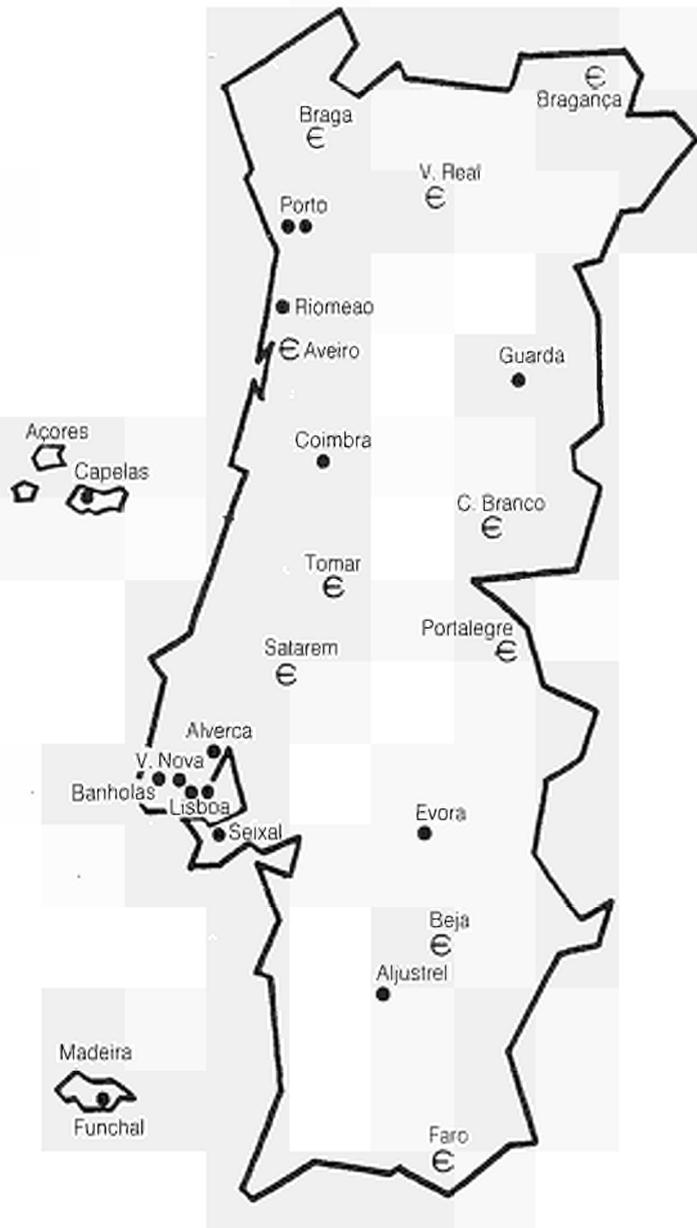
- (i) their geographical location: existing centres are concentrated on the coast around Lisbon and Porto whereas the new centres will be mainly situated in inland areas which suffer from a lack of vocational training structures, except perhaps for some technical colleges under the Ministry of Agriculture which exclusively train agricultural technicians;
- (ii) their target-group: it is planned that, initially, priority will be given to young people who have left school between the sixth and ninth year, aged 14 to 18, whereas existing structures mainly provide further training for employed persons (specialized centres) or retrain the adult unemployed (traditional centres);
- (iii) the structures, details and length of training: It is planned for the new centres to provide initial vocational training, made up of modules with specific objectives, adapted to the needs of the local employment market, of a maximum of three months' duration, and which will alternate with training periods in companies spread over a two-year period. On the other hand, the traditional centres, whose material is most often

¹ OJ C 349, 23. 12. 1980.

² See map overleaf.

outmoded or inadequate, provide on-going training with no alternation in companies, of a maximum of nine months' duration. They concentrate on the acquisition of know-how, which is very often out-of-date, and is based on teaching methods used by bodies such as the AFPA in France in the 1950s. The training provided by the specialized centres which generally have modern, indeed sophisticated, equipment financed mainly by bilateral or multilateral aid (Council of Europe, World Bank, UNDP/ILO, etc.), mainly takes the form of very short, intensive refresher courses for persons already employed.

In addition, although some centres near existing (Braga, Vila Real) or emergent (Aveiro, Agueda, Tomar) industrial poles offer initial training centred on sectors defined in close coordination with those involved in business activities, both sides of industry but also the Ministries responsible for vocational training activities, those centres in the least favoured regions, characterized by an archaic primary sector and an almost non-existent industrial fabric (typically the Bragança, Portalegre, C. Branco and Beja centres) will take the form of multi-skill and multi-functional centres, similar to the 'Maison des Arts et Métiers' in France. The training activities offered there will, above all, be geared to the question of local and regional development either through local employment initiatives, or through integrated programmes within which there is guaranteed coordination between the measures implemented by the various authorities and public financial instruments at local, regional, national, indeed Community level.



Community technical assistance planned for 1986

At the same time as the construction of the centres, which is just under way, and their being fitted out, the Commu-

- Existing centres
- € New centres

nity will also provide technical assistance in 1986 which will be concentrated on four centres: Bragança, Braga and Vila Real, where the equipment will be jointly financed by the Community, and Aveiro which will be the prototype of a regionally, indeed, nationally-oriented centre offering new training branches based on electronics, computers and robotics.

As regards the Braga, Vila Real and Aveiro centres, technical assistance will initially be aimed at ensuring the training aims of each centre match perfectly with the technical, educational equipment available, whilst ensuring any equipment which is too expensive, too rapidly outmoded or out of proportion with needs is avoided. For Bragança, which is right at the heart of one of the areas of the country with the lowest literacy rates

and, in addition, has an old population (an area with a strong emigration tradition), needs for technical, educational aids would initially do well to concentrate on audio-visual, indeed computer, resources to enable a mass literacy campaign to be carried out.

Secondly, technical assistance will be aimed at mobilizing the necessary expertise from other Member States with a view to training a first set of teacher trainers and people to look after and manage the four centres where the Community intends to concentrate its activities in 1986.

Here again, differences will have to be made in the type of training provided; on the one hand, to the future managers and teacher trainers who will work in the centres providing a more classical type apprenticeship adapted

to the clearly defined sectorial needs; in such centres, vocational guidance and advice, advice for job creation, for management and placements in companies will be all important. On the other hand, there will be a different type of training for the teams responsible for the management, instruction and training activities within the multi-skill centres, which will be more of a development agency.

For this latter type of centres, it will be the responsibility of the Community to facilitate the secondment of experts in development-training to set up a training programme enabling the teams to play the role of instructors, coordinators and designers of *ad hoc* training activities which underly specific development projects.

Henriette Bastrup-Birk

Youth training in the European Community

Introduction

The Council resolution of 11 July 1983 'concerning vocational training policies in the European Community in the 1980s'¹ committed the Member States as follows:

'during the next five years, taking account of the responsibilities of the two sides of industry in this area, Member States:

- (i) will do their utmost to ensure that all young people who so wish, and particularly those without educational or vocational qualifications, can benefit over a period of at least six months and if possible one year following full-time compulsory education from a full-time programme involving basic training and/or an initial work experience to prepare them for an occupation,

- (ii) moreover, will pursue their efforts, in the context of their national policies and practices, to see that for young people without sufficient qualifications, including particularly those who are looking for work, adequate opportunities of vocational training to improve their skills and qualifications are available.'

The Commission, for its part, was asked 'to prepare a comparative analysis of the progress made by Member States on specific measures to assist young people' in the context of International Youth Year in 1985. This report was adopted by the Commission in March 1985.

The Commission's report was prepared in cooperation with the national authorities² of the Member States, and with the technical assistance of the

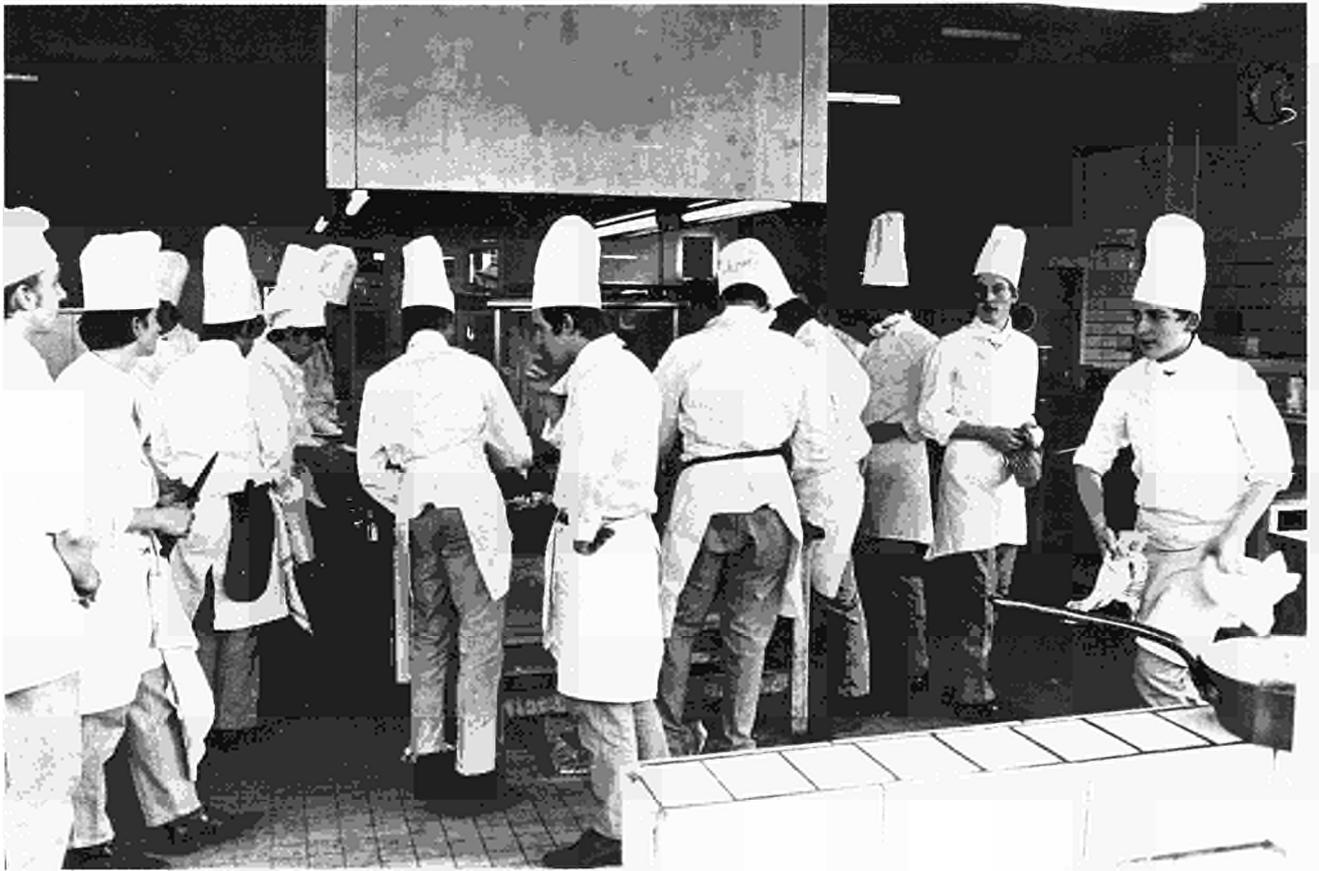
European Centre for the Development of Vocational Training (Cedefop). The report concentrates, as requested, on policies to improve the vocational preparation of young people after the minimum school-leaving age.

As the full report will be published in 1986 as a supplement of *Social Europe*, the following text is an extract from the report concentrating on the 'key issues' raised by the analysis.

Clive Norris

¹ OJ C 193, 20. 7. 1983.

² National reports in their original language and English and French will be available through Cedefop.



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Key issues

Introduction

This section of the report discusses some of the key issues raised by recent developments in the Community. It looks briefly at the following questions:

- (a) the changing background;
- (b) national policy objectives;
- (c) the mix of national policies;
- (d) the division of responsibilities;
- (e) resources;
- (f) the structure and content of provision;
- (g) institutional changes;
- (h) the education/training/employment spectrum;
- (i) outstanding issues for further discussion.

The changing background

All these developments have taken place against a complex background of:

- (i) the demographic 'bulge' in the numbers of young people;
- (ii) increasing education participation rates;
- (iii) recession and high youth unemployment;
- (iv) rapid technological and economic change.

What are the prospects for the rest of the decade and beyond?

Almost all Member States will face a decline in the size of the 15-25 age-group, often substantial. There are important non-demographic factors, such as the changing attitudes of young people faced with prolonged high unemployment and rapid change. However, it seems certain that this will reduce the quantitative pressures on the education and training systems resulting from the expected continued increase in education participation rates. It may also contribute to the reduction of youth unemployment. However, the

qualitative demands will remain severe, because all the signs are that rapid technological and economic change will continue. In other words, as governments increasingly recognize, measures which were originally introduced primarily as a short-term response to rising youth unemployment will need to become permanent features of the scene.

National policy objectives

Most Member States have adopted explicit policy objectives in respect of the vocational preparation of young people. There has been a significant change in vocabulary since 1982-83. At that time, many governments were simply seeking to give unemployed young people a constructive alternative to unemployment. Now it is increasingly recognized that high youth unemployment will be with us for a considerable time yet, and also that to compete successfully on world markets, the Community needs a highly-trained and flexible workforce. Following a period of rapid expansion of youth training programmes, most governments now see their main commitment in terms of securing high-quality vocational preparation for young people entering the labour market, involving access to a recognized qualification, rather than running schemes to keep young people out of the labour market for six months or longer. However, though there has been considerable progress, the evidence suggests that the reality has not made as rapid progress as the rhetoric.

Many Member States have expressed a commitment to promote equal opportunities for young women, in some cases by the introduction of specific programmes to encourage girls to take up options in sectors regarded as male-dominated and in the industries of the future. However, despite these efforts, girls still tend to concentrate in a limited range of occupations, often with poor status, low pay, and limited career prospects. While the attitudes of young women are almost certainly formed during the period of compulsory schooling, and while it is during these years that girls need guidance and encourage-

ment to choose long-term training and career options, training policies still have an important role to play. The limitation of career choices to a narrow range of jobs is one of the causes of the particularly high rate of unemployment amongst young women, and not only has adverse social consequences but is also a waste of human resources which the Community cannot afford.

Beyond these two major objectives, this review of the scene has shown that all Member States are striving, in different ways, to achieve a balance between various other policy objectives:

- (i) they are trying to increase the flexibility of the workforce, especially in terms of its occupational and geographical mobility. At the same time there is a renewed emphasis on meeting the short-term needs of specific localities and enterprises;
- (ii) they are working to develop closer links between enterprises and the education/training system, at the same time as — for a range of reasons — young people are tending to delay their entry into the labour market until the age of 18 or later;
- (iii) they are giving priority to the needs of enterprises for trained manpower while recognizing that special efforts are necessary to ensure that disadvantaged young people are helped to compete more effectively for the limited supply of jobs and training places.

These objectives are not necessarily in conflict, but they cannot be achieved without effort, nor can they be secured cheaply.

All this suggests that the time is right to re-examine the language of the Council commitment of 11 July 1983.

The mix of national policies

All the Member States are operating a mix of programmes. Three main types of programme can be found:

- (i) the expansion and improvement of technical and vocational courses within the full-time education system;

- (ii) encouragement to enterprises to offer more vocational training places;
- (iii) special temporary measures to help the young unemployed.

There is a general trend towards dealing with 15-19 year-olds wherever possible through the first two types of programme: most governments are now working towards the objective that no young people under 18 or 19 should be unemployed and without access to education/training. The special measures are increasingly targeted at young people aged 18 or older, or at groups of young people with special needs, such as young migrants. It is also notable that these special measures increasingly tend to offer education/training in addition to access to permanent or temporary jobs.

All Member States have seen major increases in the scale of education and training programmes for young people since 1983. Usually, this has been achieved — at least in part — by greater participation by enterprises in the provision of training, though often with considerable financial support from governments. The detailed modalities vary enormously: some Member States — such as the Federal Republic of Germany — have relied on the expansion of the existing apprenticeship system. Others — and notably the United Kingdom — have introduced radically new education/training programmes. New agreements with the social partners have often played a key role, for example in France and Italy. The greater involvement of enterprises in education and training programmes for young people, a trend seen throughout the Community, represents — along with the quantitative expansion in provision — one of the major positive achievements of recent years. There are now signs, however, that the pace of quantitative expansion is slowing. This should in theory facilitate a shift in the focus of activity towards further improving the quality of education/training programmes.

These developments have been accompanied by:

- (i) the widespread adoption of linked work and training ('alternance') schemes, in preference to both work experience programmes and programmes of purely theoretical training. As a result, many Member States now operate parallel schemes offering basic vocational preparation, both within the full-time education system, and outside it, in cooperation with enterprises. This can produce difficulties with respect to the content of courses, the qualifications they offer, and the income of the young people concerned;
- (ii) a greater diversity in the programmes on offer, both within individual Member States and within the Community as a whole. For example, most Member States are making efforts to improve the relations between education institutions, at all levels, and enterprises. One side-effect has been an increase in the demand for work experience placements — for students of all ages, and also for teachers. Another has been the increasing complexity of the task of those responsible for managing the different parts of the education/training system and for guiding young people through it.

The division of responsibilities

There are three related aspects to this:

- (i) administrative decentralization;
- (ii) greater involvement by the social partners;
- (iii) participation by young people themselves.

Since 1983 there has been major change in respect of the first two, but still little progress on the third.

All Member States have taken steps, some quite recently, to decentralize important responsibilities in the field of vocational education/training to the regional or local level. The main impetus has been the recognition that vocational education/training programmes for

young people can only be effective if they are appropriate to the economic and social needs of the locality, and in particular to the local labour market. Decentralized management is also seen as a means of increasing the flexibility and responsiveness of the education/training system.

At the same time, there have been moves in every Member State to increase the involvement of the social partners in the planning and management of education and training for young people. The motives behind this have been mixed. Some critics argue that governments have looked to enterprises to provide additional training places because the education systems have been slow to respond to changing needs. But all governments have come to recognize that programmes to prepare young people for working life can only be effective if they have the active support of the social partners. In some cases, such as Denmark and France, there have also been measures to give the social partners more responsibility for the financing of such programmes. The complexity of the changes in the flows of young people and of funds between the various different parts of the extent to which the relative financial contributions of enterprises and of the public authorities have changed. Research by Cedefop suggests, however, that since the late 1970s the relative financial contribution of the public authorities in respect of the education and training of 15-19 year-olds has increased.

Most Member States started from a broad consensus, that the State was responsible for general education and for special measures to help the young unemployed, while enterprises were responsible for recruiting and training sufficient young people to meet their own needs. Since 1983, this consensus has broken down under the pressures of demographic, technological and economic change. For example, there is no longer agreement on the definition of general education, or on the distinction between education and training. And the labour market for 15-19 year-olds has all but disappeared, in the face of high youth unemployment and the policy re-

sponses to it. However, there are now signs that governments feel that the pendulum has swung too far, and that a greater financial contribution to education and training should be sought from enterprises.

This debate raises the issue of the residual role to be accorded to central government. There seems to be a widespread trend towards seeing the task of central government more in terms of planning rather than directly providing certain types of education and training for young people. While the advantages of decentralization of decision-making are now widely recognized, it can have negative consequences. The dangers are that:

- (i) the more able young people will get help, while the disadvantaged are neglected;
- (ii) different standards of provision in different regions will reinforce regional disparities and inhibit geographical mobility;
- (iii) training programmes may be too closely geared to short-term local needs, which may also reduce the flexibility of the workforce.

This means that central governments must retain the essential functions of developing and maintaining the overall legal, financial and administrative framework necessary to an efficient and flexible education/training system.

Resources

This analysis receives confirmation from study of the overall levels of expenditure and effort. There have been massive quantitative improvements in the education and training of young people in the Community since 1983. It now appears, however, that in most Member States the period of rapid quantitative expansion is drawing to a close. This is partly because most Member States can now offer some form of basic vocational preparation to all young people reaching the minimum compulsory school-leaving age. In some cases the demographic downturn is also already beginning to ease the pressure of

numbers. The challenge now, in most Member States, is how to improve the quality and relevance of these opportunities, at a time when public expenditure is under constraint. In particular, it cannot be assumed that financing arrangements which worked for temporary special measures can continue to be effective in the longer term. Not surprisingly, therefore, recent policy statements in the Member States stress the need to ensure better use of existing resources, for example through:

- (i) better staff training;
- (ii) better educational and vocational guidance;
- (iii) more intensive use of existing education/training facilities;
- (iv) closer coordination between different agencies and institutions.

The structure and content of provision

These issues are highly complex, and this is perhaps the area in which developments within the Member States are the least transparent. However, there seem to be six general trends:

- (a) as already noted, most education/training programmes for young people, whatever their location within the system, now offer a combination of education/training with work experience. Increasing numbers of young people are undertaking visits to enterprises during the period of compulsory schooling; at the other extreme, students in higher education are often undertaking work placements;
- (b) there are signs of important changes in the style of teaching. One positive trend is that many courses increasingly emphasize the development of creativity, independence, decision-making skills, and the ability to do teamwork, rather than the competition for academic success. This shift of emphasis does seem to reflect parallel changes in the competences which enterprises are seeking in their em-

ployees, but it raises major problems in terms of assessment and certification;

- (c) many Member States are seeking to define a 'common core', related to the world of work, within the compulsory schooling curriculum. Most definitions focus on literacy, numeracy, and a basic understanding of the main applications of the new information technologies. It is certainly true that young people entering the labour market without these skills will have extremely poor job prospects;
- (d) there is considerable interest in the use of modular approaches to education/training. These involve splitting courses up into smaller units which can be combined together, in various ways, to provide a range of options designed to meet specific training needs. They are seen as one means of increasing the flexibility of provision, and thus both widening individual choice and improving the capacity of the system to meet labour market demands. Of course, the more options young people have, the more guidance they may need in how to profit from them;
- (e) related to this, efforts are being made to improve mobility between the different parts of the education/training system, with similar motives. This necessitates some overall framework of recognized qualifications, and agreed systems of assessment and certification. In several Member States there are working groups, involving both governments and the social partners, to examine these issues;
- (f) there seems to be a general inflation in qualifications. This has both supply and demand aspects. Because of the surplus supply of young workers, enterprises are able to seek better-qualified recruits — perhaps over-qualified. At the same time, technological and economic change means that jobs — and therefore vocational courses — tend to have an increasing technical content. This

confirms the need for governments and enterprises to continue to invest heavily in education and training. However, it also raises the issue of how best to help those young people who, because of their limited capacities or their difficult personal circumstances, cannot profit from conventional courses with a highly technical content.

Institutional changes

There are numerous examples of institutional changes designed to meet these challenges. The most significant and widespread have been measures to:

- (i) improve cooperation between the education and manpower authorities, at the national and local level;
- (ii) develop closer links between the education/training system and enterprises.

It is important to note, however, that the extent of change varies considerably between Member States. The Federal Republic of Germany, for example, has been largely able to rely on its existing institutional framework, in which education was already a regional responsibility and vocational training managed jointly by the social partners at the local level. Other Member States have made significant policy changes within the existing institutional framework: examples include the way in which the apprenticeship systems of Belgium and Denmark are being extended to new occupational areas. Finally, in Member States such as the United Kingdom and Ireland, the new demands have led to significant institutional change.

The education/training/employment spectrum

Whatever the institutional divisions within the education and training systems, it seems clear that most young people in the Community are now delaying their entry into the labour market — willingly or unwillingly — until the age of 18 or 19, and that in the intervening period they are engaged in various

types of programmes of either general or technical education, or vocational training. The titles of these programmes, and their location within the various national education/training systems, vary enormously. Two further important trends are that:

- (i) technical education and vocational training are gaining status and resources alongside general education. At the same time, a basic technical understanding is increasingly seen as an essential part of any good education;
- (ii) in respect of 15-19 year-olds, though not of older young people, governments are placing a higher priority upon securing vocational preparation for young people than upon placing them in employment. Whether young people share this sense of priorities we do not know.

One effect of these developments is that many young people in the Community — and particularly 15-19 year-olds — have an intermediate status in which they are neither fully competitive on the labour market, because they are in part-time education, nor can they be treated as school students, because they are contributing to production. Thus the conventional categories of 'employment' and 'unemployment' are increasingly inadequate, both as descriptions of what governments are trying to achieve (or avoid), and as descriptions of daily reality as experienced by young people. However, there is a major difference between those Member States in which large-scale vocational education/training programmes for young people are long-established, in which the rights and responsibilities of participants are well-defined, and other Member States in which there is still uncertainty about the status of such young people.

Outstanding issues for further discussion

The single most important question is the extent to which the Council commitments of 11 July 1983 (see page 26) have already been achieved. The Commission does not have sufficient data to respond in respect of the second part of

the commitment, which relates to training provision for young people in addition to basic vocational preparation. This is a subject which will be covered in future reports to the Council.

Even in respect of the first part of the commitment, covering vocational preparation for young people leaving school, the data are far from satisfactory. However, they suggest that the minimum provisions of this part of the Council Resolution have already been met or exceeded in the Federal Republic of Germany, France, the United Kingdom and Denmark. In the Netherlands, Belgium, Luxembourg and Ireland, sufficient progress has been made to suggest that the commitment will be fulfilled within the timetable set out in the resolution. The information available in respect of Italy in Greece does not permit an assessment of progress at this stage.

It must be emphasized that these provisional judgments are based on aggregate national data. Even in those Member States which are the furthest advanced, they do not permit assessment of three major factors:

- (a) the comprehensiveness of the coverage of national programmes. Even when there is equilibrium between the demand for and supply of training places at the national level, there are often areas of particular difficulty. These include regions of high unemployment and/or economic decline, and certain specific groups of young people, including young migrants and those without educational qualifications;
- (b) the degree of choice open to young people. Education and training programmes can only be effective if the participants are motivated to succeed and recognise the value of what they are doing. Despite the quantitative expansion of such programmes, it is clear that many young people reaching the minimum age for leaving full-time education have little choice about what they do next. The opportunities available to young women remain particularly limited, despite widespread efforts to widen them;

(c) the quality of education and training programmes. As already noted, Member States have faced exceptional quantitative demands since 1983. It is understandable that quality has sometimes taken second place to quantity. That now needs to change;

(d) the extent to which basic education/training courses for school-leavers prepare them, not just for obtaining employment or making constructive use of a period of unemployment,

but also for the further training which many will need in order to prosper in a world of intense international competition and technological change.

These questions in turn raise major issues about other aspects of public policy. For example, young people can only make sensible choices if they have access to information and advice about the options open to them. Education and vocational training can only be fully effective if they are complemented by

educational and vocational guidance services.

These are the areas of concern upon which the Commission will be concentrating over the coming months. In particular, they are seen as a major focus for the local assessments of youth provision which the Commission was invited to undertake in the Council Resolution of 11 July 1983. Indeed, such questions are best explored through detailed analysis at the local level.

Working plan of Cedefop for 1986

In recent years, a considerable effort has been made to reach a maximum level of effectiveness in the allocation of functions between the Commission and the European Centre for the Development of Vocational Training (Cedefop) in Berlin.

The centre is, indeed, the principal auxiliary of the Commission in the very full and complex field of vocational training at a time when constant reference is being made to the importance of this subject at all political levels in connection with the processes of development and adaptation of national and Community economies.

It is thus logical that the Centre agree with the Commission on a working plan to update and strengthen its roles as provider of technical assistance to the Commission as well as a channel of communication between the Commission, the Member States and the two sides of industry. As well as the requirement for information and documentation accentuated by the technological progress of recent years, and the resulting requirements of study and experimentation on the Community level, we are faced with the greater than ever need for consensus in a social development context as animated as the current one. The quadripartite structure of the Centre in fact makes it a privileged instrument for initiatives aimed at the development of human resources and constitutes a primary condition of its success. It is thus interesting and useful to examine in broad outline the working plan for 1986, to note the points of contact with the activities of the Commission and the priorities assigned to certain research topics.

The options taken by Cedefop's board of directors have been heavily influenced by the latest developments of Community policy as regards vocational training, which have required an almost total recasting of previous working plans, including:

- (i) the '1986-89 guidelines' adopted in September 1985 by the board of directors, including in particular the assumption of responsibility for the problems involved in the enlargement of the Community with the accession of Spain and Portugal;
- (ii) Council Decision of 16 July 1985 concerning the correspondence of vocational training qualifications between Member States of the EEC;
- (iii) Council Decision of 5 December 1985 adopting a Community education and training programme relating to new technologies (Comett 1986-92);
- (iv) Council Resolution of 7 June 1984 concerning the contribution of local job creation initiatives to the fight against unemployment;

- (v) support of the working plan of the Commission following both resolutions, that of 2 June 1983 concerning measures relating to vocational training in the new information technologies and that of 11 July 1983 concerning vocational training policies in the European Community for the 1980s.

For the purposes of a more detailed examination, it will be useful to distinguish between permanent activities and research draft studies, the latter in turn to be considered according to their innovativeness or their current status.

I. Permanent activities

1. Information and documentation activities

The following priorities have been adopted:

- (i) improvement and completion of the documentary cooperation network by the inclusion of Greece and Luxembourg. At the same time, procedures for the extension of this network to include Spain and Portugal are being studied;
- (ii) constitution of documentary files on topics of specific support to the research activities of the Commission and the Centre and to other activities involving the making available of information on innovative experiments (for example study visit programmes);
- (iii) continuation of the computerization programme initiated in 1985 and taking the necessary choices relating to the choice of computer and the planning of a computerized network. This process will be extended over three years owing to its great complexity;
- (iv) organization of national meetings with both the competent authorities and the two sides of industry with a view to ensuring good knowledge



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of the activities of the Centre and the Commission and to activate a really effective disclosure mechanism.

2. Cedefop publications

These consist of three periodicals:

- (i) the review *Vocational Training*, published quarterly. This will appear exceptionally in nine languages in 1986. It is the more prestigious organ of the centre in which the basic problems of vocational training are set out and discussed in an organic fashion;
- (ii) the bulletin *Cedefop News*, in five languages, published at variable in-

tervals, devoted to specific aspects of vocational training and intended to provide complete information on current problems;

- (iii) *Cedefop Flash*, in three languages, also published at variable intervals, where items of specific information take precedence over other objectives.

For these last two publications the edition, drafting and distribution procedures will be subjected to fresh examination in order to guarantee a good degree of complementarity. Ongoing efforts are being taken to rationalize the production, distribution and promotion of the periodic and non-periodic publications. The effectiveness of these ef-

forts is a direct function of the costs savings produced.

3. Permanent study work

- (a) *updating of descriptions of the structures and development of national vocational training systems*
In addition to the development of monographs on the Spanish and Portuguese systems and to the publication at regular intervals of updates on existing studies, the development of a programme based on the audio-visual media will be continued during the year.
- (b) *analysis of the costs and financing of vocational training*

initiated in 1984; will be continued on a fuller basis in 1986.

- (c) *development of terminological bases*
a particularly arduous and long-term task.
- (d) *the comparative study of the role of the two sides of industry in vocational training*
This is a new activity, the importance of which cannot be overstressed in the current social context, especially with regard to the search for a consensus strategy in the socio-economic field.

4. Correspondence of vocational training qualifications between Member States of the EEC

The decision of 16 July 1985 already referred to above provides the Centre with the instrument to achieve one of its priority tasks. Besides the important volume of technical work for which the Centre will bear the principal responsibility and that it will be supposed to organize, the Centre will also have a permanent task in observing the development of the different professions and trades.

5. Community study visit programme for professional vocational training specialists

In 1985, the year it was launched, this programme permitted more than 100 European specialists to broaden their knowledge of policies and professional training schemes in other Member States. An increase of 20% is planned for 1986, including Spanish and Portuguese specialists.

The priority topics of the programme for 1986 will be the same as for the previous year, i. e. 'New technologies and vocational training' and 'Training and employment of young people', but provision has been made for a larger participation by women. A suitable strategy for the implementation of this programme will also be studied.

6. Forum on vocational training for national research and development institutes

The objectives of this project will be, by the joint utilization of the results of the meetings to be arranged between the research centre directors and of the experts chosen by the Commission, to avoid duplication, to disseminate significant results beyond the borders of the individual Member States and to promote the establishment of joint reports between various teams working in related fields. As for the study visit programme, this final project represents one the most important aspects of collaboration between the Commission and the Centre.

them towards useful information, and to assist them in the definition of their priorities.

The problems relating to the requalification of Spanish and Portuguese manpower will be the subject of studies and of research. Moreover, these countries will take part in the final phase of the study launched in 1985 on the vocational training and voluntary (re)integration of young people of the second generation of migrants.

2. Initial and ongoing training of unemployed persons and groups of persons threatened by unemployment

For young people, Cedefop will collaborate closely with the Commission to provide a follow-up to the Resolution of 11 July 1983, in particular concerning the guarantee of basic training.

The ongoing education and, in particular, the social and professional reintegration of the long-term unemployed will be the subject of specific projects, with special consideration of local and regional job creation initiatives.

Analysis will be continued of significant projects for the insertion into professional life of handicapped persons in diversified forms of employment. The same will apply to the training of women aimed at developing their capacity to control the new technologies as well as their aptitudes for the management and creation of enterprises.

These efforts will combine with those started since 1983 for the development of vocational training in small and medium-sized enterprises.

3. The development of qualifications, work organization and training schemes

The permanent task of the Centre from now on to carry out work relating to the 'correspondence of vocational training qualifications' will serve as a background to several studies and projects.

II. Research draft studies

In general it can be said that projects aimed at one or other disadvantaged social category represent the continuation of activities appearing in the working plan of previous years. Some of these activities have been reformulated with a view to tendencies on the labour market and also adapted to the new reality of the Europe of 12. It is advisable to group the many projects according to priority research axes in order to try and determine their operating logic.

1. Specific projects in the Mediterranean countries

Beyond a gradual enlargement of the permanent activities, Spain and Portugal will be able to profit as from 1986 from a special reception and information service which will be organized for this purpose. A selection of studies, research and documentation will be produced and published in Spanish and Portuguese.

Working meetings will be organized for persons in charge of vocational training in the two new countries to direct

An initial liaison and development function will have to be provided to accompany the enlargement of the network of pilot schemes set up by the Commission in the field of training in the new technologies. This action is further linked to the permanent activity of organizing study visits.

The analysis of the hoped-for results will be handled in the same way as the study already started in 1985 in collaboration with the Commission's FAST project related to the development of qualifications in the light of technological changes.

With a view to developing new methodological instruments, a critical analysis of current experiments in Member States will be undertaken in order to define more clearly possible innovations in approaches to vocational training today.

A specific aspect of this activity will be the further development of case studies already carried out in the area of office automation.

4. Use of new technologies in basic and ongoing training

This work is connected with that mentioned under the preceding heading, but concerns primarily pedagogy based on the new technologies.

A major research activity will be 'distance learning' within the framework of the Community education and training activities in technology (Comett 1986-92).

5. Training of teachers, trainers and development agents

The problem of the training of trainers will lead to the Centre aligning its activities in this area with those of the Commission with a view to looking for a Community strategy in this field. Cedefop's task will consist primarily of setting up comprehensive files supported by monographs on Spain and Portugal.

A second priority field will be the training of middle managers and the ma-

nagement of small and medium-sized enterprises. Such an action is obviously to be seen within the context of several other activities, in particular in connection with new technologies.

6. Vocational training within the framework of regional and local development

Research undertaken in recent years has allowed us to highlight the constant features of good regional development policy in a considerable number of Member States. One such constant feature is vocational training, itself conditioned by existing structures and their effectiveness. Our task is now to expand the basic data to include the two new countries with a view to drawing up possible action and intervention models. A forum is planned for 1987 which will allow us to take stock of the results of the studies and analyses.

Luciano Baroncelli

The 1985 and 1986 work programmes of the European Foundation for the Improvement of Living and Working Conditions



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***Social Europe* presented the Foundation's four-year programme (1985-88) in July 1985 under the title 'A more detailed examination of the interaction of living and working conditions'. The four-year programme has since entered its concrete phase with the adoption and implementation of the 1985 and 1986 annual programmes.**

The research subjects can be grouped together around the three main themes of the four-year programme: man at work, time, environment. We thought it would be interesting to also group them together in chronological order. Accordingly, some of the Foundation's activities are aimed at learning the lessons of previous research (reviews), others are an extension or a more detailed examination of subjects already discussed and, finally, others are new projects. The table below summarizes the situation for 1985 and 1986 within the framework of the four-year programme.

In some ways, 1985 and 1986 mark the last years of the first decade of Foundation research. Although this is not really a cause for a celebration, it would none the less be appropriate to

draw some conclusions from the great amount of research carried out on some central themes over the Foundation's first years. Consequently, the publication of three reviews or research outlines is planned:

- (i) New technologies on which the Foundation has carried out a large number of studies. These will be summarized from the viewpoint of various subjects: work organization, skills, participation, shift work, stress (physical and psychological), living conditions.
- (ii) Journeys from home to the place of work and their consequences for commuters have been the subject of Foundation studies since 1981. These studies are currently being reviewed to extract the principal re-

1985 AND 1986 WORK PROGRAMMES OF THE EUROPEAN FOUNDATION

Previous research	1985—86 working programme	1985 work programme	1986 work programme
1984 1982 1982	Changes in the organization of industry Change in work	Telework New forms of work and activity (working party) Role of the interested parties in the introduction of new technologies (working party) Evolution of management functions	Working conditions in the construction industry Working conditions and relations in SMBs Automated systems — Design and work content New forms of work and activity (pilot studies) Role of the interested parties in the introduction of new technologies (study of the different attitudes)
1981	Organization of time Social cohesion and free time	Impact of social cohesion and of free time on assistance for old people	Time utilization and its modalities
1983 1984	Urban space Bioengineering Non-nuclear waste	Living conditions of the longterm unemployed Initiatives related to voluntary, unpaid work in the environmental field Impact of bioengineering on working and living conditions Safety aspects relating to dangerous wastes	The urban environment — housing social cohesion. Effects for young people Safety aspects relating to contaminated dumping sites
1977	Overview of previous research	<ul style="list-style-type: none"> ● New technologies ● Home-place of work journeys 	Participation and improvement of living and working conditions

sults and see what opportunities for improvement there are. An updated, annotated bibliography of research on various aspects of pendular movements in the Community will also be published.

(iii) Participation and, in a general way, the involvement of the people concerned in the decision-making processes affecting them has been a constant source of interest for the Foundation over the years, but it has never been dealt with on its own. However, it will be in this journal, which will re-examine, from the participation standpoint, the work already carried out on work organi-

zation, training, new technologies, shift work, health and safety, pendular movements, working time and leisure time. At a time when dialogue between both sides of industry is at the heart of Community concerns, this review, on which work will start in 1986, should both draw conclusions from recent experiences and outline prospects for the future.

The other research planned for 1985 and 1986 forms a direct part of the four-year programme. Let us first of all present the research concerning man at work and more particularly the structural, technological and organizational

changes within the framework of which work is evolving.

Studies of the working conditions and relations in SMBs (Small and medium-sized businesses) will be based on concrete examples. The SMBs are not only regarded as a potential creator of jobs, but the increase in their number and their diverse nature are also liable to lead to far-reaching changes in working relations and the system of industrial relations. In 1986 particular attention will be devoted to working conditions in the construction industry as this sector is undergoing important changes. One only has to think of the development of rehabilitation and urban renovation

sites, or the introduction of new techniques, such as prefabrication, for example.

Automated systems, particularly robots, will be studied with a view to determining how they affect work content and design. Although the robots improve certain working conditions, other conditions, on the other hand, are sometimes dangerously affected. The worker's role in the design, installation, programming, dysfunction and maintenance of the robotic systems cannot be ignored. This study follows on from previous Foundation programmes, especially on stress related to man-machine interaction.

Recent developments in another subject, telecommuting, which is an extension of studies already made in 1982, will be looked at. Being a form of work

which is still unorthodox but has a promising future, it is high on the list of the Foundation's prime concerns given its implications and possible medium-term impact.

This is also the case with the new forms of work and activities, sometimes known as atypical work in contrast to full-time paid work, bound by an employment contract of undetermined duration; they are central to the debate on the flexibility and adaptability of companies. In 1985 a certain number of pilot studies were financed with a view to defining the scope of the problem and determining its complexity; both living (especially social) and working conditions will be the central aspects of this matter. In 1986 a group of experts will define what more specific research can be carried out. This plan is directly related to

the current debate in the European Parliament on the restructuring of the labour market.

The evolution of management functions within companies and other organizations will be researched into, particularly in relation to new tasks resulting from technological innovations. The top management levels will be particularly closely scrutinized in this research.

As a follow-up to the 1982 studies on the involvement of the parties concerned in the introduction of new technologies, 1985 and 1986 will see the preparation and first phase of a survey on attitudes in the subject which, when finished, will cover the whole of the Community. Based on a questionnaire and interviews with both sides of industry and company staff, this survey



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should lead to the identification of possible developments in dialogue between employers and labour.

Straddling the divide between working and living conditions, time, the second main subject of the four-year programme, will be developed as follows:

The impact of active solidarity and of the time available for helping old people: in an 'ageing' European society where the 'family' concept has undergone great changes, this study should highlight new trends in services (whether institutionalized or not) for old people.

Time organization is also changing; in 1986, the Foundation will embark on research into the modalities of the utilization of time. This will be based on previous work which has concentrated in particular, on a comparative analysis of existing studies on time-budgets and on work organization and the improvement of living and working conditions for people providing services and for consumers.

Unemployment is still a major source of concern within the Community. The Foundation has started a study on the living conditions of the long-term unemployed. This will identify, analyse and assess sound, innovative projects aimed at helping, in an integrated way, the long-term unemployed to cope with their problems. This study will be carried out in cooperation with the Cedefop.

This integrated approach to living and working conditions will be found in most Foundation research on environmental issues, the third subject of the four-year programme.

Urban space — housing — social cohesion problems and their conse-

quences for young people, particularly in less-favoured urban areas, will be studied from 1986 onwards. There are obvious links here with unemployment but also with families and poverty.

Urban space will also be the central theme of a study on initiatives linked to voluntary *pro bono* work in the environmental area. The analysis will cover local initiatives and will try and assess what the possibilities are of extending these experiences.

With the influence of biotechnology and working conditions, the Foundation will be embarking upon a new research subject. Biotechnology is often seen as an important, potential development factor but its possible implications and the risks related to uses of it are important questions. The Foundation study examines the international dimension of the question and those aspects related to the environment, particularly the social (especially ethical) environment and the working environment.

The safety aspects related to the management of dangerous wastes and of contaminated sites and dumps are questions of topical interest, especially since the well-known disasters, such as Seveso. The Foundation was well placed to study certain of its aspects. A Round Table organized at the end of

1985 in Dublin brought around 50 experts and representatives from the environments concerned together with a view to defining those specific subjects to be examined in greater depth. They concern both working and living conditions, especially problems of a psychosociological nature.

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As of 1986, the European Foundation for the Improvement of Living and Working Conditions has decided to change its distribution strategy.

Henceforth, a periodical newsletter 'European Foundation News' will be published.

Research results, whilst still being available in the form of the original research reports, will also be progressively presented in a more attractive way.

Finally, through organizing Round Tables, Symposia and Conferences, the Foundation hopes to arouse political debate on the research subjects based on scientific results. It has thereby found a privileged vocation as a forum, within the Community, on matters relating to living and working conditions.

Eric Verborght
Alain Coeffard

The Foundation's 1985 and 1986 annual programmes, and

- subscription to the 'European Foundation News' newsletter
- the 1985 annual report
- the list of publication

are obtainable upon request from:

European Foundation for the Improvement of Living and Working Conditions
Loughinstown House, Shankill, Co. Dublin, Ireland.

The Administrative Commission on Social Security for Migrant Workers

On 17 and 18 October 1985 the Administrative Commission on Social Security for Migrant Workers held its 200th meeting. For the European Commission this 200th meeting marked an important stage. Since first being set up in 1958, the Administrative Commission has played an important role by helping to fulfil one of the main aims of the Treaty setting up the European Economic Community: the removal, between Member States, of obstacles to the free movement of workers.

When originally drawn up, the social security conventions, although conditioned by the existence of migration, were essentially an international projection of social security rights and were aimed at resolving social problems regardless of the degree of liberalization of migratory movements and the number of migrants concerned. However Article 51 of the EEC Treaty reflects the view that the removal of restrictions on migrants' social security rights was a way of ensuring the free movement of workers. This Article was in the same spirit as Article 69 of the Treaty of Paris setting up the European Coal and Steel Community. However, in its new form, Article 51 of the EEC Treaty was not designed to set up a European social security scheme specifically for migrants, nor was it designed to harmonize the basic provisions of national social security laws, but merely to coordinate these laws.

Regulations Nos 3¹ and 4,² based on Article 51, were as their numbers indicate, among the very first legislative measures enacted on the basis of the EEC Treaty. These regulations, which came into force on 1 January 1959, replaced the bilateral or multilateral agreements previously in force between Member States. These regulations have been improved and complemented over the years. In 1972, the Community, by adopting two new Regulations No 1408/71³ and No 574/72⁴ completed its general revision of these regulations and considerably improved them. The extension of these regulations to cover self-employed persons from 1 July 1982 was the last important stage of this development. The regulations cover all employed and self-employed persons, provided they are nationals of one of the Member States, and also cover the members of their families moving within the Community.

Let us briefly recall the three general principles underlying the regulations:

- (i) Non-discrimination
Nationality requirements are not applicable to persons covered by the regulations.

- (ii) Exportable benefits
When a worker is entitled to benefits in a Member State, he may receive benefits for himself and his family in any other Member State in which he is resident on a temporary or permanent basis.
- (iii) Aggregation of periods
When a worker does not meet the qualifying residence or insurance conditions for benefits in a country, all periods of insurance and employment completed in other Member States are taken into account as if they had been completed in the first Member State.

In addition, it should be pointed out that thanks to the regulations the above-mentioned persons are entitled to benefits in the event of illness (medical treatment, medicines, dental treatment, hospitalization, etc.) if they are on a business trip, on a visit or on holiday in a Member State other than that where they are insured.

It is for the national institutions to put these Community rules on the coordination of social security legislation into effect. Effective implementation of the regulations requires the constant cooperation of officials in the public social security services both at social insurance office level where individual cases are processed and the highest administrative level. This is the *raison d'être* of the Administrative Commission on Social Security for Migrant Workers, a body which was not set up by the Treaty. The Administrative Committee was set up by the above-mentioned regulations to settle administrative questions and even, subject to the jurisdiction of national courts and the European Court of Jus-

¹ Council Regulation (EEC) No 3 of 25. 9. 1958 (OJ 30, 16. 12. 1958).

² Council Regulation (EEC) No 4 of 3. 12. 1958 (OJ 30, 16. 12. 1958).

³ Regulation (EEC) No 1408/71 of 14. 6. 1971 (Codified text OJ L 230, 22. 8. 1983; recently amended by the Accession Treaty of 12. 6. 1985, OJ L 302, 15. 11. 1985).

⁴ Regulation (EEC) No 574/72 of 21. 3. 1972 (Codified text, OJ L 230, 22. 8. 1983; recently amended by the Accession Treaty of 12. 6. 1985, OJ L 302, 15. 11. 1985).



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tice, to interpret the regulations. It is made up of a governmental representative from each of the Member States,¹ assisted, if need be, by technical advisers. A European Commission representative takes part in the Administrative Commission's proceedings in an advisory capacity. The secretariat of the Administrative Commission is run by the European Commission, in practice by the social security for migrant workers' division of the Directorate-General for Employment, Social Affairs and Education. International Labour Office representatives automatically attend Administrative Commission meetings to which they lend their technical assistance, either by expressing an opinion on the questions being studied or by supplying studies and the preliminary drafts of working papers for meetings.

The Commission has to date adopted 130 decisions published in the Official Journal, issued 18 recommendations to the authorities responsible or the Member States' social security institutions, drawn up 57 forms to assist social insurance offices, migrant workers and employers in implementing the regulations.

Thousands of copies of guides informing the persons concerned of their rights and the formalities that have to be completed to exercise them have been published. Since the Administrative Commission is responsible for this under Regulation No 1408/71, millions of documents, in various languages, for the implementation of the regulations in individual cases of interest to beneficiaries or institutions have been translated; some have been translated by special-

ized translators, who are European Commission officials, and others in the capitals of certain Member States but financed out of the Administrative Commission's budget.

On a more general level, the Administrative Commission provides a framework to deal, at Community level, with all problems relating to the implementation and improvement of the regulations. Under the Community's institutional procedure, it is responsibility of the European Commission to draw up proposals for amending Community law. If it were not for the information supplied to it by the

¹ As a general rule, the Director (General) of Social Security at the Ministry of Social Affairs.

Administrative Commission, it would be unable to fulfil this role which requires detailed knowledge of national legislations, of the consequences of amendments to them on the implementation of coordination regulations and the results of implementation of these regulations.

It should be borne in mind that, from 1 January 1986, this involves coordinating 12 different legislations which are extremely complex, heterogeneous and constantly evolving. In addition, the coordination mechanism needs to be constantly geared to social security developments in Member States, to the case law of the Court of Justice, to the employment situation and to modern computer-management techniques.

The Administrative Commission is assisted by an Audit Board, responsible for putting the financial provisions of the regulations into effect, especially in cases of refunds between social security institutions of Member States who have paid out benefits on behalf of other institutions, in compliance with the regulations. The Audit Board issues an annual statement of the financial situation between these institutions.

The tripartite composition of the Advisory Committee on Social Security for Migrant Workers, set up in 1972 pursuant to Regulation No 1408/71, gives both sides of industry (trade union and employers' organizations) the chance to participate in the examination of the problems dealt with by the Administrative Commission.

The question of the Administrative Commission's decision-making power poses a problem of a constitutional nature. According to Regulation No 1408/71, the Administrative Commission is authorized to take decisions to discharge its duties. In Case 98/80,¹ the Court of Justice examined whether the Council's conferring legislative powers to the Administrative Commission was compatible with the EEC Treaty. According to the Court, the Community's institutional structure does not allow the Administrative Commission to act as an authority endowed with rule-making powers. The Administrative Commission's decisions provide assistance to the social security institutions responsible for implementing Community law, but they cannot have the effect of oblig-

ing these institutions to follow certain methods or adopt certain interpretations. The Administrative Commission's decisions are therefore only opinions. None the less, the Administrative Commission's 'opinions' are of an authoritative nature, as a result of the expertise of its members and the technical nature of work in the social security field.

Be that as it may, there is no doubt the Administrative Commission has discharged its duties very satisfactorily in implementing Community social security regulations. Its role as an organ for cooperation and deliberation is vital. On a more general level, its activities make a significant contribution to the correct implementation of Community provisions and to the effective cooperation of national authorities in the sphere of social security.

Rob Cornelissen

¹ Judgment of 14 March 1981, [1981] ECR 1241.

Social security and disability

Since the beginning of 1985 the Bureau for action in favour of disabled people has been paying attention to the income and social security problems of disabled people. In the work programme of the Bureau this issue has been taken up as a point on which studies and perhaps policy measures should be prepared in the years ahead.

During the 1960s and 1970s a lot of improvements were achieved in social security legislation in the various Member States of the European Community. After the beginning of the economic recession this trend could not carry on and since the beginning of the 1980s a number of countries in Europe have been obliged to take rather severe restrictive measures in this field which have affected also the position of the disabled.

In the meantime the movement of emancipation in the ranks of the disabled had set in. This emancipation got an extra impact during the International Year of the Disabled in 1981. Disabled people in all the Member States had organized themselves better and put pressure on governments to extend, improve or change legal dispositions concerning both social security and specific provisions.

In a number of countries disabled people's organizations were able to point to gaps and deficiencies in the social security systems as they affect disabled people. This perception was confirmed by the results of a study on 'social security and disability' established by the Commission in 1985. The report of that study, prepared by Professor Abel-Smith of the London School of Economics, showed clearly the different situations of disabled people in the social security systems of eight member countries. These differences do not only exist between the Member States but also to a significant extent within them. A study produced by the European Institute for Social Security on behalf of the Council of Europe reached the same factual conclusions as the study of Professor Abel-Smith: the systems are different, eligibility is different and the nature of benefits is different. A brief overview of this complex situation is regularly given by the Commission with the edition of the comparative tables of the social security schemes in the Member States of the European Communities.

Two approaches are possible for acquiring insight into the relation between social security and disability. One approach is to start from the position of the disabled person and his specific

needs; the other, from existing schemes of social security.

The dependence of disabled people on social security or special measures is great. For the major part of the disabled the only income resource is social insurance, social assistance or some sort of special allowance. Only a relative small percentage of the disabled in Europe of working age can earn their living by employment under the same conditions as able-bodied people. A significant number of disabled people can only earn money in a system where they get some or a lot of protection i.e. sheltered employment.

Compared with other people who get their income from social security, disabled people have not enough for a normal level of human life if they receive merely a benefit to meet the normal cost of daily living. The difference between able-bodied and disabled people is that the latter can only live a normal life with some extra help or special provisions.

Fortunately more and more people realize that disablement stands for a very great number of different impairments, illnesses, handicaps etc. These categories of disabled people have different needs. Moreover, the degree of the need not only varies by category or type of impairment but depends also on individual circumstances. Everybody who looks around can find examples: a person who is paraplegic has other needs to achieve an independent individual life than does a blind person. People who are mentally retarded have other needs than do people who suffer a severe type of rheumatism.

The way the needs can be met are also different. Some people who are severely physically disabled can sometimes function completely and independently with the help of a few simple technical aids. Others need frequently a costly medical treatment. There are disabled people who need constant attendance while others can achieve a normal production in a factory if a machine is adapted.

We can distinguish in the daily life of disabled people a number of important aspects:

- (i) employment,
- (ii) medical care and treatment,
- (iii) housing,
- (iv) mobility/transport,
- (v) communication,
- (vi) education,
- (vii) activities of daily living,
- (viii) leisure and sports.

If a disabled person wishes to participate in normal life like other people, either he has to be able to finance the extra costs caused by his handicap himself, or special provisions, allowances or benefits must be created to meet them. So for living on a more or less equal basis there exist in the Member States of the European Community legal dispositions to compensate disabled people for the extra costs deriving from their disability by means of special allowances or benefits in the field of social

security — social security in this context meaning a system or a scheme on the basis of which an individual has the right to certain benefits under prescribed conditions.

Of course a lot can be done and is done to solve the problems of the disabled by charity, community programmes, special funds etc. but these solutions are quite distinct from the recognition of individual needs by means of legal measures.

As in this article a global approach is used, problems of definitions, assessment and implementation can be left aside. It is however impossible to deal with the needs of disabled people without confronting the problems of their families, the special problems of the elderly and of the congenitally disabled.

These problems require a more specific approach, as do the problems of some categories of disabled women.

In recent years, there have been many changes as far as the needs of the disabled are concerned, not only from a sociological or psychological points of view, but particularly from the medical and technological ones. The developments in medicine have created opportunities for a better and longer life for many disabled people. Developments in technology make it possible to improve the quality of life of the disabled although the improvement of quality is for the moment in many cases still very expensive.

There always have been tensions between needs and accomplishment in the field of social security, and this is



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specially true for the situation of disabled people. A good earnings-related invalidity pension scheme, for example, will not on its own free a severely disabled person like a paraplegic from isolation and immobility if special measures are not also taken.

Social security systems

As already said, the social and economic position of different disabled people can vary considerably even if they live in the same country with the same impairment. The studies already point out that for disabled people benefits are granted according to different schemes. The most general schemes are social insurance schemes and social assistance schemes.

For social insurance one can make a distinction between contributory and non-contributory schemes and also between means-tested and non means-tested schemes, whether within the framework of general social insurance or social assistance systems.

In most of the Community countries however special schemes have been created for granting benefits in cash and in kind, and special provisions which are not under the heading of social security but under another title. So there exist special allowances for civil servants, for war victims, for those disabled during military service and also for certain types of handicap, for instance blindness or deafness.

All these schemes cause differences in the economic and social position of disabled people although the consequences of their disablements may be the same. It is hard for many disabled people to understand that those who acquired a disability owing to an accident at work are far better off than others who acquired the same disability as a result of an accident at home or abroad during their holidays. From the same point of view it is difficult for women who became disabled during a period when they were caring for their young children to accept that they will never be entitled to a social insurance benefit of their own

but have to rely on their husband or on social assistance.

Moreover, if when one looks across the borders between countries it happens that congenitally handicapped people in one country are entitled to a relatively good social insurance benefit while in another people with the same impairment can only get a social assistance benefit (supposing there is no family who can care for them), then it is understandable that there is substantial discontent among the disabled communities in Europe.

When comparing the features of systems in different countries it is also important to see how far the cover of various schemes extends. It is evident, for example, that systems under which technical aids are granted through social insurance are more favourable for disabled people than systems under which such aids are only given through means-tested social assistance.

As far as our information goes at present it can be concluded that disabled persons are better off (for benefits in cash) if they qualify for an occupational accident insurance scheme than if they benefit from a general disablement allowance scheme, and that those who have been to work for a certain period of time and contribute to an invalidity insurance scheme are better off than those who only receive social assistance.

This is merely a provisional general conclusion on the basis of an overview of the dispositions of general schemes. It is however supported by a good insight of individual cases given in a comparative study made for Rehabilitation International by Peter Mitchell, Head of Research of the British Royal Association for Disability and Rehabilitation (Radar).

Finally, it is clear that to define the social and economic position of a disabled person special provisions such as tax exemptions, free loans for cars, reimbursement of taxi-costs, compensations for housing costs, the cost of necessary technical aids, his own contribution to medical and therapeutical costs etc. play an important role. Accu-

mulation of needs can in the case of lack of special provisions lead to poverty even if a disabled person receives a relatively good cash benefit or earns an average wage. All this makes it clear that comparison of national systems and achieving a definition of the purchasing power of disabled people is an extremely complicated affair.

Development at international and European levels

On an international level, there is growing awareness and interest in the social and economic position of the disabled. Recently in the framework of the World Health Organization a study has been launched on developments in legislation concerning disability and provisions for disabled people. The International Social Security Association has also produced studies concerning the position of disabled persons in various countries.

In the context of the work of the European Commission, the consequences of social security schemes on the disabled must be seen as of great interest. Disabled people who are or have been insured as workers and who move from one country in the Community to another have, as do their families, the protection laid down in the regulations of the Council concerning the social security of migrant workers. Those among the disabled, on the other hand, who as we have seen have not been insured or who receive an invalidity or disablement allowance according to a scheme not under the application of the Community regulations are in a quite different position because the dispositions of national legislation are definitive in their case.

The same problems arise in regard to the Conventions on social security of the Council of Europe and of the International Labour Organization, since the same inequalities which can be found at the national level emerge in the international context. The world programme of action for disabled persons adopted by the United Nations in December 1982, in

the chapter Equal Opportunities, also stresses the item of income maintenance and social security.

Action of the Commission

In response to these income and social security problems the Commission of the European Communities can make a contribution to improve the situation of the disabled by collecting data, studying their problems in depth and preparing proposals at Community level.

A number of relevant items can be chosen on which further preparation at the European level should be focused. Examples of such items are:

- (i) better prevention of loss of earning capacity;
- (ii) better protection of certain categories of disabled people from the risk of poverty;
- (iii) facilitation of free movement;
- (iv) removing disincentives for employment in the social security systems;

- (v) a minimum of dispositions to meet the general and special needs of the disabled, agreed at Community level.

Although the task of the Commission in this field will be difficult and complicated, the value of it for the disabled in Europe will justify the effort.

Louis Van Amelsvoort

Towards a people's Europe

Every organization knows the problem, from the village sports team trying to canvass local support to the giants on the political scene trying to woo the voter: how do you get your message across to the man in the street, in the factory, in the block of flats? How to bring the mother with the babe-in-arms (who is not really interested), or the woman with the supermarket trolley (who is more concerned with the rising price of food), to identify with the cause, to appreciate and welcome what the organization does on her behalf?

In this, the Community is no different from other organizations. It has existed for nearly 35 years, and yet its image in the public mind is often negative, composed of budget quarrels, vetos at Brussels, striking farmers throwing away their produce, butter sales to Russia 'cheaper than it ever is in the shops...'. It is indeed precisely because they recognize this problem that the Heads of State or Government in June 1984 decided to set up an *ad hoc* committee to prepare and to coordinate activities that would 'respond to the expectations of the people of Europe by adopting measures to strengthen and promote its identity and its image, both for its citizens and for the rest of the world'.¹ That *ad hoc* committee produced two reports, the first in March 1985, the second in June of that year. The purpose of this article is to look at some of its proposals, and then to assess progress.

Naturally enough, any report on Europe and its people will deal with areas within the 'social' field — with the rights of Community citizens to move from one Member State to Member State, with health, with education and training, with youth policy: and these proposals are naturally, discussed below. But what is the tone of the reports? What emerge as being the main centres of interest of the committee?

Three threads emerge on reading and rereading the committee's reports. The first takes stock of the fact that, too often, Community policies which should operate to make life easier for the citizen are implemented in ways that 'hamper achievement of the aims of the Treaty, and considerably irritate the citizen':² The committee expresses its desire to move away from this position, to see Community norms and rules applied in a way which will lead to a Community with which the ordinary citizen can identify. For instance: 'The Committee is convinced that the right of a citizen of a Member State of the Community to reside in any other Member State of his free choice is an essential element of the right of freedom of movement'.³ Since we have a European Community, should we not take it to its logical conclusion?

A second line of thought stems from a range of existing Community activities which, important though they are, do not achieve the public awareness they deserve: for example, facilitating the movement of kidney dialysis patients between Member States, increasing cooperative activity between universities in different Member States, or developing teaching about the European Community.

And, finally, there is a group of proposals in areas in which the man in the street might be felt to have a more direct interest: sport, cancer research, youth exchanges.

The proposals in the 'social' field include some in each of these groups, and they are summarized below, together with an indication of what real progress has been made since the adoption of the second report in June 1985.

Freedom of movement of workers, and the right of residence

- (a) The committee asked for a clearer classification of the tax situation of people who live in one country, but work in another: they are treated for the purposes as non-residents, and therefore can suffer disadvantageous tax treatment.

This is not a new problem — the Commission made a proposal on it as long ago as 1979. But although there are a number of bilateral agreements, progress at Community level is slow.

- (b) The committee also stated clearly its view that the established right of Community citizens to work in a Member State other than their own should be complemented by a general 'right of residence' for citizens. Again, discussions have been going on since 1979 on this subject, and no progress has been made: some Member States are concerned about an influx of students, some about pensioners, some about the legal basis for such a right. The committee felt that 'the European Council should pave the way for a swift conclusion of the current discussions by taking a political decision of principle on a general right of residence for all citizens of the Community'.⁴ It remains to be seen whether this will unblock the situation.

Education and training

This general area proved particularly fruitful in the committee's discussions, and many proposals came out of it.

- (a) The committee made a series of recommendations which should make

¹ Conclusions of the Presidency, Fontainebleau European Council.

² Second report, paragraph 2.4.

³ First report, paragraph 22.

⁴ First report, paragraph 22(2) and paragraphs 20 and 21.



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it easier for people with qualifications obtained in one Member State to use them in another. In its first report⁵ it suggested that a new approach needed to be taken to the question of recognizing diplomas and qualifications. It argued that the old method, based on minute examination of curricula and subjects studied has clearly not worked, and that we should move to 'the principle of mutual trust'. That would mean that (say) a doctor, with full medical qualifications and some years' practice in one Member State should automatically be allowed to practise in another. The Commission agreed with this system, and has made a formal proposal to implement it. This is now under discussion in the Council, and it is

hoped that it will be agreed later this year.

The committee also suggested measures for craft-level qualifications, to make it easier to see just what they really mean. The Council has since adopted a Decision⁶ on the comparability of vocational training qualifications, and the Commission's services are still considering the 'vocational training pass' proposed by the committee.

- (b) At the level of school education, the committee made a number of proposals. It started from the point of view that 'a practical knowledge of the languages, cultures and living conditions of the other Member States (has) a special importance, and should be encouraged from an

early age'.⁷ In the foreign language teaching field, the committee wanted learning of at least two foreign languages to be compulsory for all children, and to be sure that all future foreign language teachers could spend a significant part of their training in a country whose language they are preparing to teach. The first of these proposals is not an easy one: school programmes are already very crowded, and foreign languages are not regarded everywhere as being among the first im-

⁵ Paragraphs 20 and 21.

⁶ Council Decision (EEC) No 85/368 of 16 July 1985.

⁷ Second report, paragraph 5.2

peratives. But the Commission's proposals to support foreign language teaching within the Community, which will probably be published in the summer, will certainly include a substantial teacher-training element.

The committee also felt that more needed to be done to promote teaching about Europe. Their proposals aim to make life easier for the interested teacher to introduce a 'European dimension' in his teaching: the creation of resource centres, of appropriate (and usable!) teaching materials. These suggestions are being discussed by the Commission with its partners in the Member States, both within Ministries of Education and, for example, with teachers' associations, and some progress is being made. The increased budget available to the Commission in 1986 for this type of work will be used for a programme which includes these two points.

- (c) At university level,⁸ the committee made a range of suggestions to increase inter-university cooperation and student mobility. Recognizing the autonomy that universities (and other higher education institutions at similar level) enjoy, its recommendations were couched as requests to the 'relevant authorities', rather than formal proposals: they include a comprehensive European inter-university programme of exchanges and studies; a European system of academic credits transferable throughout the Community (this would mean that a student taking a course in a participating institution would automatically receive a 'credit', which would be taken into account in placement in other establishments, or reassessed with other credits to entitle him to a diploma or certificate corresponding to the whole of the studies he had undertaken); a European award, based on achievements in higher education in different Member States; and better mutual recognition of academic qualifications.

The Commission's response to these proposals has been clear and quick. The Erasmus programme, adopted by the Commission on 18 December 1985 (and described in detail on pages 9 to 11) presents a range of proposals whose main aim is to increase the number of students taking an integrated part of their course in another Member State from less than 1% in 1985 to 10% by 1992. It now rests with the European Parliament and the Council to do their bit.

- (d) In the vocational training field,⁹ the committee recognized the importance of the 1983 Council resolution which aims by 1988 to ensure that all young people leaving compulsory education have access to at least six months of basic vocational training or work experience, and invited the Member States to increase the length of this period to one, or if possible, two years. The Commission is following the progress that Member States are making towards this end.

Youth affairs¹

The committee took very seriously the question of how best to enable young people to have an experience of life in another Member State — something more than just a tourist trip, something that would mark for the young people themselves the diversity between Europeans and yet the many things they share. Their proposals specifically cover school exchanges, a general youth exchange programme, exchanges for young professionals (eg, journalists), and voluntary work camps for young people.

Here again, the Commission has made a substantial response in its proposal for a general youth exchange and mobility programme (which also covers work camps), to be known as 'Yes for Europe'. This programme was put to the Council on 7 February 1986, and it is at present being discussed both within the Council and by Parliament. It must be said, however, that 'Yes for Europe' spe-

cifically excludes school exchanges. The reason for this is that the Preparatory Committee of the European Foundation has included school exchanges as an element of the draft work-programme for the Foundation, and that there seems no point, at this stage, in the Commission's making parallel proposals.

Health, social security and drugs²

The committee's proposals in this field fall essentially into three categories: support for existing Community activity in the health field, and its extension; making life easier in the health area for Community citizens abroad; and a group of activities in the fight against drug addiction.

- (a) so far as existing health activity is concerned, the committee specifically asks that the Council give an appropriate follow-up to the Commission's proposals, and in particular that the two decisions outstanding (the recommendation on dialysis for kidney patients, and toxicology action programme) be taken as soon as possible. It also suggests that there may be scope, in the medium term, for cooperation to improve the living conditions of the handicapped and socially deprived, and for the encouragement of medical research, for instance in the field of cancer.

The committee's support was very welcome to the Commission, which has since then transmitted a proposal for an action programme on cancer prevention³ to the Council. However, it has to be said that, generally, support from the Council for health activities at Community level has been slow, and does not permit the

⁸ Second report, paragraph 5.6.

⁹ Second report, paragraph 5.7.

¹ Second report, paragraphs 5.3, 5.4 and 5.8.

² Second report, Chapter 7.

³ Pages 52 and 53 of *Social Europe*.



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attainment of the committee's proposals.

- (b) Simplifying life for the Community traveller in the health field is a complex business. As the committee points out, many citizens probably

do not know of their existing right to claim medical treatment in another Member State on the same terms as nationals of that Member State, provided they have the right papers — the E 111 form — with them. So it proposed, first, the simplification of

E 111 procedures (for example, to give the form a longer period of validity), and at the same time it invited Member States to look at the possibility of issuing an emergency health card, in a common European format, which would give some basic medical details (e.g., blood group, allergies or specific conditions such as diabetes) useful in the case of an emergency.

- (c) Drug addiction. Here, the committee's recommendations were primarily addressed to Member States. They include common action in the prevention of addiction, in research, in treatment and social reintegration of addicts; cooperation between the judiciary and police authorities; exchange of information on activities; and cooperation at European level with third countries most involved. The Commission is following Member States' activities with interest, but has so far made no specific proposals for Community action.

Follow-up to the committee's reports

The committee's first report was approved by the March 1985 European Council, its second by the June 1985 European Council. Even by then, doubts were being expressed as to the real willingness of the Council and the Member States to take the necessary steps to implement the report, and the June European Council 'expressed its concern at the delay in implementing (the recommendations in the first report) and asked the Council, the Member States and the Commission, each acting within its powers, to take the necessary decisions to remedy this situation as soon as possible'.⁴ It also asked the Council to report to it again, for its December 1985 meeting. However, in its preparatory Communication to the Council for this second report, the Commission expresses particular concern:

⁴ Conclusions of the European Council, quoted in COM(85) 640 final, Annex.

'However, eight months after the first report and five months after the second, achievements are lagging behind objectives . . . the Commission therefore feels that follow-up to the work of the *ad-hoc* committee has been unsatisfactory. The situation reveals once again the divide between major political decisions and their implementation.'⁵

To some extent, this negative assessment is reflected in the areas outlined in this article. But taking a broad view, some progress has been made and the Committee's reports have not been without effect. The Commission has responded where it can to the committee's proposals, and with the support of the European Parliament, it hopes

that many, if not all, of the proposals in the social field will be accepted.

David Coyne

⁵ COM(85) 640 final, 19.11.1985, Introduction.

Cancer prevention and a people's Europe

In June 1984 the European Council expressed a wish to give European integration a dimension that was closer to people's preoccupations and interests. That health is one such matter, is not in question, as evidenced by the results of the 1983 public opinion survey of the Community. Altogether 58% valued health in first place when questioned about their well-being and a total of 81% placed it in the first three of a range of items covering family, relationships, money and leisure. The report of the *ad hoc* committee and the conclusion of the Milan Summit clearly recognized this and the present-day problems of cancer and drug abuse were highlighted.

Cancer — the problem

Cancer is really a number of different conditions which may appear either as local solid tumours or as systemic diseases such as the various types of leukaemia. However there is a general characteristic feature of all cancers in that some cells of the human body change in such a way that they divide and proliferate independently and outside of all of the normal controls. They are further characterized by the fact that the cancer cells will spread locally and may well spread throughout the body. The spread of the tumour locally or to other parts of the body will inevitably lead to death if left untreated. Most cancers take several years to develop and some cancers are easily curable whereas others are almost always incurable by the time they are clinically diagnosed, depending largely on the organ of the body (lung, intestine, etc.) in which the first altered cells originate. The low rate of success in the treatment of certain cancers, for example lung cancer, underlines the importance of a strategy of prevention.

Cancer is second to cardiovascular diseases in causing most deaths annually in the Community. In approximate terms, one million people develop cancer each year and 500 000 die from it. All forms of cancer account for some 25% of deaths. Another way of quantifying the impact of cancer on the health of the population is to calculate the potential years of life lost due to premature deaths from the disease. This indicator is essentially designed to give a broad view of the relative importance of the various major causes of premature mortality. The figures show that death from all forms of cancer before age 70 contributes up to 20% of the total. In the past 40 years the total incidence of cancer has been increasing. Concealed within this rising trend, the incidence of some cancers has increased markedly, for example, lung, bladder, kidney, and some have decreased, for example, stomach and oesophagus.

It is now recognized that the common fatal cancers occur in large part as a result of personal, social and environ-

mental factors. These include exposure to natural and man-made carcinogens, nutritional deficiencies or excesses, infections, reproductive activities and a variety of other factors determined wholly or partly by personal behaviour. In principle, therefore, these cancers are largely preventable.

The increasing number of cancer patients, the development of new diagnostic techniques and treatment regimes, and the development of programmes of population screening have all contributed to greater demands on available health care resources. It is not unreasonable to predict that these demands will continue to escalate. It is also clear from this brief description of the nature of the disease, the results of treatment and the increasing load on treatment services that there is a strong case for a strategy of prevention or avoidance. In determining this strategy it has to be realized that approximately one third of all cancer deaths can be attributed to cigarette smoking, about a third to a variety of dietary factors and the remainder to a number of different factors, notably infection, reproductive and sexual behaviour, and occupation.

Cancer — the response so far

Activities at Community level have been undertaken to identify carcinogenic agents (both chemical and physical) and to prevent exposure of the public and workers to such agents. These have been contained in a number of different Community programmes, for example, elimination of technical barriers to trade, environment, occupational safety and health, consumer protection, and agriculture. A good example is provided by the protection of the population and workers against the long-term cancer effects of radiation. Since 1959, Directives have limited exposure of the population and the workers. Recently a Directive was adopted to reduce the possible carcinogenic risk of medical X-rays.

Community research programmes have provided support for these activi-

ties and close cooperation has been maintained with the World Health Organization and the International Agency for Research on Cancer. For example, in the present medical and public health research programme projects have concerned the development of new medical technologies for early detection and diagnosis. In the occupational medicine research programme special reference is made to cancer and work has focussed on the risk of lung cancer from welding fumes. In the radiation protection programme emphasis is being given to the possible carcinogenic and mutagenic effects of low dose exposure and effects of naturally occurring radon and other sources. In the field of the environmental protection programme, research relating to cancer is concerned with the assessment of the mutagenic and carcinogenic potential of environmental chemicals and with the carcinogenicity of chemicals and fibrous materials.

Cancer — future responses to the problem

In September 1984, the Commission submitted a communication to the

Council on cooperation at Community level on health-related problems¹. This identified, among other things, the public health problem of diseases due to smoking and observed that a total of more than one million deaths from lung cancer will occur in the Community before the year 2000. Cooperation to agree on common objectives and to support the actions of Member States was advocated.

In Milan in June 1985, the European Council approved the proposals of the *ad hoc* committee on a people's Europe which invited the Ministers for Health to give appropriate follow-up to this Communication. The European Council also accepted the suggestions along the same lines contained in the French memorandum on a people's Europe, emphasizing the section on health and the value of launching a European action programme against cancer. The memorandum identified the need for greater prevention and observed that by focusing on the five most lethal forms of cancer, deaths from the disease could be reduced by 10-15%. Special reference was made to the problem of smoking and the need for better early detection of cancer in women.

Arising out of these conclusions the Commission has made a proposal for a Community action programme against cancer² and it is intended that complementary actions in the research field will be contained in the proposal for a fourth medical and public health research programme (1987-89) to be submitted in early 1986. The first aim of the programme on prevention is quite simply to contribute to an improvement of the health and quality of life of the citizens of the Community by improved prevention of cancer. This not only means new actions to be undertaken but also that existing actions should be strengthened and come to be seen in a broad Community framework.

Edward Bennett

¹ COM(84) 502 final.

² OJ C 336, 28. 12. 1985.

The Paul Finet Foundation



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Background

The aim of the Treaty which established the European Coal and Steel Community in 1951 was to ensure that the nations that had recently suffered one of the most deadly conflicts in history harmonized their efforts in the areas of production and exploitation of products which were essential for their reconstruction; it is original in that it is ex-

PLICITLY concerned with the fate of workers in these industries, and particularly the protection of their health and safety in their places of work.

It is no longer necessary to highlight the dangers involved in the extraction and processing of coal and steel. Unfortunately, major accidents all too often hit the working world and make public opinion aware of these dangers. It was

following the terrible catastrophes which cast a tragic shadow over the mines of Marcinelle (262 dead) and Luisenthal (399 dead) that the High Authority of the ECSC decided, in 1965, to create a 'Foundation' aimed at helping the orphans of victims of work accidents to finance their studies. The High Authority dedicated this humanitarian trust of social advancement to one man, its former president Paul Finet.

The man

The son of a worker, himself a steelworker in the Borinage, a mining region around Charleroi, Paul Finet was active in the socialist trade union and the Belgian workers' party at a very young age. He rapidly rose to become general secretary of what is today the Fédération Générale du Travail de Belgique (Belgian General Labour Federation). As a representative of the workers of his country at the International Labour Organization in Geneva, he was appointed chairman of the Governing Body of the International Labour Office and the General Assembly of the International Labour Organization. Unanimously appointed by the European trade union movements to represent the Community's workers on the High Authority of the ECSC, he became its chairman following the resignation of René Mayer who had himself succeeded Jean Monnet, the father of Europe. He was the first trade unionist to occupy this post.

Within the High Authority, Paul Finet was committed to developing and advancing the social aspects of the Treaty. He encouraged the financing and construction of workers' houses, the retraining of redundant workers and the improvement of working and living conditions for workers. He took the initiative of proposing a European miners' statute. He was the first president of the Mines Safety and Health Commission and of the commissions set up by the High Authority and entrusted with the harmonization of working conditions. It was also he who devised the system of study grants for orphans so they could receive vocational training or continue

their studies beyond obligatory schooling.

After his death whilst still fully active on 18 May 1965 at the age of 68, the High Authority decided to lend his name to the Foundation which was to help orphans.

Its activities

Since 1 July 1965, the 'Paul Finet Foundation', which is a State-approved institution under Luxembourg law whose headquarters are in Luxembourg and whose constitution was drawn up by Grand-Ducal Decree, has been providing financial assistance to the orphans of workers in Community iron, coal and steel mines who died as a result of a work accident or illness.

The Foundation awards study grants to children of both sexes, aged 14 to 21, who continue their studies in vocational or secondary education institutions or at university level and also to children who, to complement their education, attend evening classes. They must show an ability for the studies they wish to follow and support this with good academic results. Age is not an absolute criterion and the rules may be relaxed in cases of exceptional results from younger children or prolonged university studies.

The Foundation is governed by a Board of Governors and an Executive Committee whose members are appointed by the Commission.

The Board of Governors has very wide-ranging powers for managing the Foundation's affairs, carrying out the administrative operations and taking all the measures in keeping with its social objective. In particular, they decide on how its assets are to be administered and the financial aid to be granted. The Board is chaired by the Commission member on the board with special responsibility for social affairs. The current Chairman is Mr Manuel Marin, Vice-President of the Commission.

The Executive Committee, elected from among the members of the Foundation's Board of Governors, decides on the attribution and the size of the grants. This Committee, on which the Commission, employers and workers are represented, is, in fact, the Foundation's kingpin. It prepares the Board of Governors' meetings and thereby avoids burdening all the governors with too many meetings which would be incompatible with their heavy professional schedules. Each file is studied and the decision is made by taking account of the candidate's needs, which depend on his family situation, any assistance received from elsewhere, the cost of his studies and his worthiness as measured by his school results. In many countries, the social services of companies compile the files and forward them to the Foundation.

The funds come firstly from the capital with which it was set up, then the annual payments made by the Commis-

sion under Article 699 of its annual budget, then the outstanding balance of the 'accidents' item of the same budget — intended to help families following mining or iron and steel catastrophes entailing more than five deaths — and, of course, the interest from investing these sums and any possible gifts from various sources.

Achievements

The present Commission of the European Communities, which in 1967 took over from the ECSC's High Authority, is continuing with the latter's work in a Europe which was first enlarged to include the United Kingdom, Ireland and Denmark, then Greece and, finally, Spain and Portugal.

Today, more than 20 years on, the Paul Finet Foundation has examined 19 769 files and awarded 14 524 grants representing BFR 150 994 835.

Of all the provisions and instruments set up by the European institutions, the Paul Finet Foundation stands out because of its humanitarian nature and the expression of solidarity it brings to work victims; by so doing, it is laying, modestly but effectively, the bases of a genuine 'compassionate Europe', thereby fulfilling the wishes of the man whose idea it originally was.

Yves Morettini

The protection of workers against the risks of noise exposure

Introduction

The harmful effect of excessive noise has been known for a long time: once certain threshold values are exceeded, noise can undermine health, well-being and professional effectiveness, producing harmful psychological effects and organic traumas. Among those, loss of hearing takes a leading place in the occupational diseases recognized in our industrialized countries. This reduction of hearing has been the subject of a considerable amount of scientific work, which has produced a reasonably well-founded knowledge of the exposure-effect relationship. On the other hand, the scientific data available do not permit a similar evaluation of the non-auditory effects and risks (disorders of the nervous and circulatory systems).

The experts agree in recognizing that the amount of auditory damage depends primarily on the quantity of sound energy actually reaching the ear and while it is not possible to predict the effect of a given noise on an individual's keenness of hearing, we can on the other hand measure the effects of such exposure for a group, and estimate the fraction of this population which will exhibit a hearing impairment higher than or equal to a certain value. This allows us to control the risk of hearing impairment by limiting the amount of noise reaching the ear.

The exact number of workers exposed to various noise levels is not known; however, according to estimates (made for the Community of Ten) a total of 20 to 30 million workers are exposed, during their work, to continuous noise levels equal to or higher than 80 dB(A) (which can involve a risk to hearing). For half these stations the ambient noise exceeds, on average, 85 dB(A); and for 6 to 8 million of these, the noise exceeds 90 dB(A).

These figures are high, and few industrial activities are spared by noise, in particular in the traditional sectors of heavy industry (which in addition often find themselves in a difficult economic situation).

The size of the population concerned, the resulting human and social costs, as well as the economic and technological constraints on the reduction of noise at work justify attacking the problem from various points of view.

We shall not be surprised to meet, as it is often the case in the field of health, contradictory requirements deriving on the one hand from the need to protect workers, on the other hand from technological and economic limitations. To assist the public authorities in their search for the delicate balance between these contrary forces, we can consider the quantitative relationship between noise exposure and its effects on health.

Noise levels and health hazards

As stated above, it is difficult to match the non-auditory effects with the characteristics of the noise causing them. This is due to many factors, such as the nature of the noise (and not simply its intensity), the presence of other physical or chemical agents, and the psychological context. In addition, the effect of noise is often difficult to quantify (how do we measure discomfort?) and variations between individuals are considerable: the fall of a book in the silence of a library can be experienced as an aggression, whereas certain students revise their courses under a flood of decibels.

If there is little doubt about the existence of harmful non-auditory effects, no sure foundations exist on which to base the exposure limits which must be introduced. Research must be continued in this field. It is however interesting to note that the German regulation¹ gives, as noise level limits:

- (i) 55 decibels for primarily intellectual activities;
- (ii) 70 decibels for simple or essentially mechanized office tasks;
- (iii) 85 decibels for other activities.

Of course, we can use here concepts of comfort and productivity, but there is at least a presumption that even

the lowest of these values can sometimes give rise to disorders.

We are on more solid ground with regard to effect of the noise on hearing², and can distinguish between almost immediate damage on the one hand, and long-term damage on the other.

An international group of experts assembled by the World Health Organization (WHO), concluded³ that there is a danger when the maximum value (peak) of acoustic pressure exceeds 200 Pascals (corresponding to 140 decibels) for more than 5 milliseconds; even for a short length of time, a pressure of 3 500 Pascals (165 decibels) is likely to cause injury to the cochlea; even higher values can rupture the tympanum.

If the ear is submitted to excessive sound energy, a hearing impairment is observed which disappears gradually when noise exposure ceases; if, however, this 'auditory fatigue' is repeated day after day, the ear is no longer able to recover and a permanent hearing deficit begins to arise. It should be noted that this deficit results from a destruction of certain parts of the inner ear. It is final, and cannot be remedied by the use of currently available hearing apparatus.

According to the same group of WHO experts, the risk of hearing impairment is negligible below 75 dB(A) (average value over eight hours), and grows with the intensity of the noise and the duration of exposure.

A recent publication of the International Standardization Organization (ISO)⁴ introduces relationships between noise level, the duration of exposure and the corresponding hearing deficit we can expect to find among the per-

¹ Arbeitsstätten-Verordnung, § 15; Bundesminister für Arbeit und Sozialordnung (1975).

² The technical aspects of the measuring of both noise and hearing is briefly considered in an annex to this article.

³ Environmental hygiene criteria No 12; Noise; WHO Geneva 1980.

⁴ ISO DIS 1999.2 Geneva 1985.



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sons concerned. Based on this document, it is possible to forecast what percentage of a population exposed to a known noise level will have a given hearing level (as defined by its audiometric profile). Other factors (such as age and pathological causes) also reduce hearing; consequently we compare the actual hearing of the group with what it would have been in the absence of this noise exposure: the difference in the percentages (fractions of this population showing a given loss with and without noise exposure) provides a measure of the risk resulting from noise. The formulae show that a hearing impairment caused by noise can be calculated (for the most sensitive audiometric frequency) as soon as average exposure exceeds 75 dB(A).

It must therefore be admitted that this value is implicit in the concept of 'risk to hearing', as this risk can be quantified above this threshold. This is of practical importance in particular in the field of application of the Directive which we will deal with later in this article.

It should in addition be noted that 75 dB(A) represent the 'level of zero risk', and that any higher limit is necessarily arbitrary, since it implies a judgment on the level of hearing impairment that is considered acceptable, taking into account other than strictly medical factors.

To pass from the hearing risk to the social risk, let us consider, in the field currently occupying our attention, the

handicap which results from a difficulty in understanding what is being said: when his or her hearing deteriorates, a person has more and more difficulty in perceiving language and in following a conversation, with harmful consequences for his or her occupational family and social activities, and leading to progressive isolation.

Generally the auditory function is characterized by the minimum intensity still perceptible at various frequencies, and attempts have been made to correlate this audiometric profile to the comprehension of speech in socially significant environments. Depending on one's goals (providing equipment to overcome pathological deafness is quite different for example from providing rem-

edies for professional hypoacusia) various formulae are used, and among those which are well adapted to the effects of noise, we can choose, for example, the one which considers the average value of hearing levels measured at 1 000, 2 000 and 3 000 Hz, as several bench marks exist for this formula.

If average hearing loss exceeds 15 decibels, the person concerned starts to have difficulties in following a conversation in an ambient noise corresponding to ever day life (a lively street, an informal meeting, an open plan office).

Beyond 30 decibels of loss, intelligibility problems appear already for example in the quiet of a doctor's surgery. An interlocutor will have to raise his voice to be understood, and the more so the higher the hearing deficit and the ambient noise. Schematically, we can therefore consider that no social handicap will be perceived if average loss at 1 000, 2 000 and 3 000 Hz does not reach 15 decibels, and that this loss occurs progressively and begins to cause permanent embarrassment as soon as the deficit exceeds 30 decibels. It is interesting to note that this same frequency combination is included in several regulatory or quasi regulatory provisions. A British standard (BS S330; 1976) sets the beginning of disability at an average of 30 decibels; however, in the United Kingdom, this deficit must always reach 50 decibels for the person affected to be entitled to compensation for occupational deafness, whereas in Belgium, the right to indemnification begins at 55 decibels. This example shows at the same time the diversity of regulations on occupational diseases (without taking into account the fact that other frequency combinations are used in other Member States) and their unsuitability as criteria for prevention.

To conclude this chapter, the table below presents an example of the implementation of the method described. A group of 60-year-old men not presenting pathological symptoms was considered (otologically normal persons under the terms of ISO 7029), which had been exposed for 40 years to equivalent noise levels (average of 8 hours' work

Average hearing levels at 1 000, 2 000 and 3 000 Hz (auditive handicap)	Average exposures in dB(A)					
	≤ 75	80	85	90	95	100
15 decibels risk	44.5% 0	45% 0.5	50% 5	62% 18	80% 35	93% 48
30 decibels risk	10% 0	10% 0.3	13% 3	21% 11	37% 28	64% 54
50 decibels risk	≤ 5% 0	≤ 5% —	< 5% —	< 5% —	5% 5	20.5% 20.5

Percentages of the population with hearing levels equal or superior to the value indicated in column 1 and corresponding risks for various auditory handicaps (as per ISO/DIS 1999.2)

per day) from 75 dB(A) or less up to 100 dB(A). The researchers then calculated, for each of these levels of exposure, the percentage of the group showing a deficit (hearing threshold connected with the particular age and noise level according to ISO DIS 1999.2) of an average of 15, 30 and 50 decibels at frequencies of 1 000, 2 000 and 3 000 Hz. The risk of hearing damage caused by the noise is shown by the difference between the percentages of deficit of the exposed and non-exposed populations.

It should be noted that for an exposure of 80 dB(A), the risk is given by the difference in two very close numbers, and that the calculation is vitiated by an inaccuracy of the same order as the result; harmful social effects cannot therefore be established for exposure levels under 80 dB(A), even though we can calculate an auditory risk.

Controlling the risk

We have seen that sound exposure levels not exceeding 75 to 80 dB(A) do not imply any danger to hearing. Although constituting a desirable objective, such values are not realistic in the industrial situations we are faced with and regulations aimed at protecting workers generally admit higher limits. We have also seen that the risk can be controlled by limiting the quantity of noise which reaches the ear every day. This can be done in a number of ways.

The ideal means is to limit the noise emitted, in particular by reducing it at source, the most rational solution being to take it into consideration from the design stage onwards. This is, however, a long-term effort, and one which clashes with technical and economic imperatives. In addition, if we want to control the risk by standards of emission only, these should be fixed for the most demanding conditions (multiple sources, long exposure times, highly reverberating environments), which is neither realistic nor reasonable.

The strict limitation of ambient noise also encounters technological and financial obstacles, and it should be admitted that the reduction of the duration of noise exposure and the implementation of collective and even individual protection have a role to play in the protection of hearing, insofar as they limit the sound energy affecting the worker.

Thus, from objective observations and practical considerations, it can be concluded that ambient noise should be reduced (primarily at the source) wherever reasonable, but also that mandatory limits should be based only on the amount of noise reaching the ear. If the use of noisy equipment cannot be avoided, the conditions of use should be regulated.

Special attention should be paid to the use of hearing protectors, which certainly have their place in the panoply of methods employed but which should remain a last resort, in view of the disad-

vantages and uncertainties attached to them. They are seldom comfortable and wearing them can have harmful consequences (isolation, non-perception of useful sounds, etc.); it is therefore not surprising to note a general dislike of using them. But, in addition, they can create a false impression of safety.

The effectiveness of protectors varies with the frequency of the sounds to be reduced, and determining a viable protection factor for a specific job and a given protector is often a lengthy business; to it we should add variations from one individual to the other in the way they are worn ('acoustic short-circuits' are a frequent occurrence) as well as the effects, which can be considerable, of intermittent use. It is thus difficult to know what is the real amount of protection afforded by this equipment. These disadvantages can be reduced by providing hearing examinations for persons using these protectors devices, making it possible to identify persons whose hearing is worsening, so that adequate measures can be taken before the level of hearing loss becomes unacceptable.

All these considerations have been converted into operational terms in the Directive on the protection of workers from the risks related to exposure to noise at work, proposed by the Commission¹ and adopted by the Council² after discussion by the European Parliament³ and the Economic and Social Committee⁴.

Council Directive

The Directive is concerned essentially with protecting workers against risks to their hearing. This is controlled by the use of two parameters:

- (i) peak sound pressure (as in impacts and detonations) with a view to limiting the acute effects on the ear;
- (ii) the sound energy received during the working day in order to prevent deafness in the medium or long term.

The Directive lays down the general principle, that risks resulting from noise exposure have to be reduced to the lowest level compatible with technical possibilities and economic constraints. It has been observed that in numerical terms, a risk to the ear exists as soon as the maximum sound pressure exceeds 200 Pascals or where the average level, calculated on the basis of eight hours of exposure, exceeds 75 dB(A). These therefore represent the implementation thresholds laid down by the Directive, although it does not impose the means to be used to reduce the risk.

When noise measurements reveal that certain action levels are exceeded, specific measures are prescribed:

- (i) above a level equivalent to 85 dB(A), workers must be informed of the risk that they can incur and also of the locations where risk exists, hearing protectors are to be placed at their disposal and they are entitled to hearing examinations in order to diagnose any reduction in hearing due to noise;
- (ii) if the 'equivalent level' exceeds 90 dB(A) or if peak acoustic pressure exceeds 200 Pascals, the employer has to draw up and implement a programme of technical measures (reduction of the noise produced and transmitted) or change the work organization (reduction of time spent in noisy zone), with a view to improving the situation; if these means do not make it reasonably possible to avoid exposure, hearing protectors should be worn. Those must not however increase the risk of accident due for example to the non-perception of sounds or noises signalling a danger.

Although the Directive is aimed primarily at exposure of individual persons, it cannot overlook certain aspects concerning installations and equipment, which have an essential role to play in the long-term improvement of the working environment and which are also the long-term responsibility of the employer. The Directive also points out that the reduction of risks applies also to the de-

sign, construction and putting into service of new installations, where it can be very effective. Finally, whenever equipment is used which emits a noise that is liable to overstep the exposure limits, the employer has to be informed of the risk so that he can take the necessary measures with respect to his obligations; the requirement to provide such information will also make manufacturers and users aware of the advantages of quieter devices, and will help to improve the situation by the play of market forces.

The Directive deals also with the involvement of the workforce (as well as their representatives in the undertaking) in questions of noise protection.

With regard to the measuring of the noise and the monitoring of hearing ability, the text specifies the objectives and annexes give indications on how to attain them: the diversity of the different situations and of the ensuing metrological requirements results in choosing, in concrete cases, methods adapted to local conditions, and allowing the experts to bring into play their own local expertise.

In a more general way, a considerable amount of leeway is left to national practices for the implementation procedures of the Directive; thereby reconciling respect of the aims of the Directive — which guarantees such protection — with the flexibility and the economy of means made necessary by the diversity of structures and industrial practice. The provisions of the Directive must be implemented by 1 January 1990 at the latest (a year later for Greece and Portugal), and they will be re-examined for 1 January 1994. They do not apply however to sea and air transport personnel at sea or in flight. The Council will examine the possibility of implementing

¹ OJ C 289, 5. 11. 1982 and OJ C 214, 14. 8. 1984.

² The final version of the Directive has not yet been published.

³ OJ C 46, 20. 2. 1982 and OJ C 117, 30. 4. 1984.

⁴ OJ C 23, 30. 1. 1984.

the Directive in these areas no later than 1 January 1990.

The Directive is the result of hard discussions and represents inevitably a compromise between divergent positions resulting from contradictory requirements. It could be interesting to see where it differs from the proposal put forward by the Commission.

The first point is the similarity of the general approach: no categorical limitations on noise emissions nor the ambient noise, but controls on the danger to hearing by action to limit the exposure of the individual; the question of feasibility is also taken into account in the choice of the measures taken.

The greatest difference perhaps is the disappearance of a biological limit: the proposal contained an obligation to achieve a certain result, by requiring that, if recourse to individual protection devices was inevitable, taking into account the alleviation of noise brought about in this manner, the ear should not be exposed to more than a specific level of noise. The text adopted is limited to an obligation of means: to use in such cases such protection devices as can reasonably be expected to reduce noise if suitably worn. Thus there is no longer a limiting value (in the sense of allowed maximum) but only action levels.

The role of audiometry is distinctly reduced: the proposal provided detailed instructions for audiometric testing of all workers likely to use individual protection devices as a result being exposed to levels higher than 85 dB(A). The Council gives these workers the right to adequate hearing examinations, without necessarily requiring systematic audiometry.

In the same way, the proposal described reference methods for measuring noise and for the audiometry to ensure that the quality of methods used in everyday industrial practice were judged by identical criteria.

In general, the Commission proposal went into greater detail, whereas the adopted text makes more frequent reference to national practices and rules.

The adopted text also goes further in permitting derogations; on the other hand, it is more restrained with regard to cooperation between workers and employers. It does provide for a review revision of the Directive, but no longer contains a 'future value' to which the designers can refer when planning future installations and equipment.

Lastly, with regard to scope, the prevention of accidents is limited to those resulting from the wearing of hearing protectors. In addition, the Commission proposed no sectoral derogation; on the other hand, the Council extended the Directive below the 85 dB(A) proposed by the Commission.

In summary we should stress the guarantees and prospects contained in this Directive: the protection objectives are completely explicit, and dates have been fixed for dealing with the aspects which remain unfinished. For this reason the Commission believes that it provides a good basis for future improvements whenever these are possible.

Marcel Van Der Venne

Annex

To study the problems arising, it is necessary to know the characteristics of noise and its effects on human beings.

The International Electrotechnical Commission defines noise as any unpleasant or undesired sound. For the physicist, sound is the propagation of a disturbance in an elastic medium i.e. in the case we are examining, a pressure wave in the air. For the physiologist, sound is the auditory sensation which results from this wave, this sensation itself resulting from the physical characteristics of the sound and of the perception capacity of the auditory system. We will therefore go on to examine these two aspects (physical and physiological) as well as their interaction.

The physics of noise

Any source of sound produces in the air weak fluctuations about the atmospheric pressure. This is the sound pressure of which we use the mean-square value.

A pure sound is characterized by its intensity and its frequency.

The intensity of a sound depends on the amplitude of the pressure wave and thus of the energy it transports; it is expressed in decibels (dB). This unit is the logarithm of a relationship, which brings with it practical consequences which must be kept in mind. The fact that it is a logarithm means that levels of noise cannot be added together arithmetically. The fact that it is a relationship requires us to define the reference variable, with a different dB scale corresponding to each variable. In the field which concerns us, two systems will be used; the first involves the intensity of sound, leading on to the pressure level scale

$$L_p = 10 \lg \left[\frac{p}{p_a} \right]^2$$

where P_0 is a reference sound pressure of 20 micropascals (MPa), corresponding to the auditory threshold of a pure sound of 1 000 Hz for an average ear. To obtain the order of magnitude of this pressure, we must bear in mind that the atmospheric pressure under standardized conditions of temperature and pressure is equal to 1 013 millibar, i.e. $1\ 013 \times 10^5$ Pa: there is a relationship of 5 000 million between the atmospheric pressure and the reference sound pressure.

Another system involves acoustic power. Here the reference value is a power of 10^{-12} Watt. This system is used in particular for measuring the acoustic power of on-site machinery and allows one to deduce the sound pressure level at various distances from the sound source, taking into account the directivity of the source (in particular of the reflexion by the sound-producing medium) and the sound attenuation. Thus, for example, a machine with small geometrical dimensions are low com-

pared with the measuring distance, placed on a concrete sound-reflective base in an unobstructed space and with a sound power level of $L_w = 100$ dB, will give the following sound pressure levels:

at 5 m, $L_p = 78$ dB
at 10 m, $L_p = 72$ dB

Examination of the formula shows that both the pressure level and the power level increase by 3 decibels each time the sound energy is doubled.

The frequency of a sound is measured in Herz (or cycles per second), and expresses its 'height': a high sound has a higher frequency than a low sound.

Industrial noise is in general a complex mass of sounds which experts have sought to represent in a simplified manner by reference to both the intensity and the frequency spectrum of such sounds.

As the sensitivity of the ear varies according to the intensity and frequency of the sound, standardized filters have been produced which reproduce, in a simplified fashion, this sensitivity. It was noted that one of these networks, corresponding to the standardized A-weighted frequencies gives acceptable correlations for a series of effects and in particular the hearing impairment connected with industrial noises. The pressure or power levels are thus expressed in dB(A) which completely characterizes a stable noise. For a noise whose intensity fluctuates over time, this parameter should also be taken into account. Two cases of practical importance will be developed. The first is the equivalent continuous A-weighted pressure level ($L_{Aeq,T}$): this is the pressure level of a constant noise containing the same sound energy as the (fluctuating) noise under consideration, both being present for the length of time T.

This concept is very frequently used to express exposure over several hours, in particular during a working day. It should be noted that in the case of a stable noise at a constant level, the numerical values of $L_{Aeq,T}$ and L_pA are equal.

The second case concerns so-called 'impulse' noise, where the sound pressure increases very sharply: pressure can reach a very high maximum value within a few milliseconds or even less, falling back then to its initial value, the whole phenomenon lasting less than a second and sometimes considerably less. This requires the use of specially adapted measuring apparatus, otherwise it is obviously not possible to take this phenomenon into account in the determination of noise exposure.

It will be noted that, in addition to the sound energy contained in an impulse noise (which can be relatively low when the noise is very short), other parameters are important in determining the effects, in particular as regards the maximum value of the instantaneous pressure (peak pressure) of the noise.

Physiological effects of noise on hearing

It has already been seen that the ear is not equally sensitive to all sound frequencies, and we further know that exposure to excessive quantities of sound energy involves a loss of this sensitivity. In order to determine keenness of hearing and to judge 'quality of hearing', tonal audiometry is generally used. This consists in sending a pure sound at various frequencies¹ via ear-phones to each ear, and determining for the lowest intensity each ear can perceive.

It has been necessary to standardize operating conditions, and the reference acoustic intensity (hearing levels also are expressed in decibels) is, for each audiometric frequency, the average hearing threshold for a young 'otologically normal' population. This explains why certain persons have a level of hearing lower than 0 dB (the 'hearing impairment' is negative). The audiometry results are presented in the form of an audiogram, which is the curve connecting the points corresponding to the hearing threshold at each audiometric frequency. In the case of a hearing impairment due to noise, the audiogram gives a characteristic picture of and shows initial impairment at around

4 000 Hz, extending to 6 000 Hz, finally to the frequencies of 3 000 Hz and less, whereas other causes of impairment generally also affect the lower frequencies. The presence of an 'audiometric notch' between 3 000 and 6 000 Hz is thus an indication of a hearing impairment caused by noise.

When the audiograms of a group of persons with a 'similar sound history' are compared, we can quantify the variation of individual sensitivity to noise, and the traditional statistical treatments make it possible to determine the distribution of the hearing levels. This gives us the median value (level of hearing at which one half of the group has better hearing, the other half less good hearing) or different fractiles (for example hearing levels reached or exceeded by a given percentage of the population); we can also calculate using these data which fraction of the population will present a loss equal to or higher than a present value. This figure is used to estimate the risk hearing.

The fact that certain frequencies are affected more than others plays a role in the social consequences of the hearing impairment. To illustrate the level of auditory perception at various frequencies, frequency modulated radio transmissions (FM or UHF) cover the range of 50 Hz to 15 000 Hz (Hifi standards), AL transmissions (o.g. LW) stop at approximately 8 000 Hz; finally, the telephone network only covers a range of 300 Hz to 3 000 Hz; everyone has experienced for himself the difference in sound quality between these three means of communication. When the hearing impairment extends to frequencies around 4 000 Hz, a 'telephone effect' gradually occurs; it is no longer possible to recognize first, voices, then words, in particular with higher levels of background noise, thereby giving rise to an obvious communication problem.

¹ For the purposes of safeguarding of hearing, ISO standard 6/89 specifies 'audiometric frequencies' ranging from 500 Hz to 8000 Hz.

Part Two

Analyses, debates, studies

The future of social security in Europe

A seminar to discuss the future of social security in the Community was organized by Tepsa (Trans European Policy Studies Association) in Habay-la-Neuve (Belgium) from 26 to 28 September 1985. It falls within the framework of the Commission's work designed to promote a common Community view of the evolution of social security and further to its 1982 memorandum on social security and to the round tables organized in Member States in 1983. Papers were presented by various experts on the matter and formed the basis of the ensuing debate.

Social security has up to now been a matter of national responsibility and the institutional and cultural differences are so great that harmonization seems neither possible nor desirable. On the other hand, is there a common, unwritten conception of social security in Europe? We hope this summary can contribute to a more positive expression of this conception and to Community reflection on the future and on the alignment of medium-term solutions.

Scientific analysis does not support the thesis that social security is one of the main causes of the present economic crisis. It does not have an overall, harmful influence on economic growth: it neither changes families' savings habits nor does it encourage unemployment. Moreover, the present crisis entails that any future social security policy will be designed both to control and to reduce costs. In actual fact, for those who wish to uphold the principles of the Welfare State, a different distribution of available resources is necessary, based on the most pressing social needs and taking into account the evolution of the standard of living, household structures and the active and non-active population.

In all Community countries, demographic evolution is characterized by a progressively ageing population, caused mainly by a fall in the birth rate. The population of working age is declining while the number of elderly people is on the increase — initially at a slow rate, reaching 18% in 2010 and then more rapidly, some 23%, after 2015.

Population projections beyond the year 2000 are not very reliable but other elements concerning future development are so uncertain that it would not be justifiable to base political decisions on long-term population projections, but it can be said that the influence of demographic factors require that 1% of GDP should be earmarked to cater for the increase in social security expenditure.

In a period of low growth, a large share of the annual increase in GDP will go towards financing the extra expenditure caused by the ageing process (es-

pecially in the pension and health care sectors) leaving relatively less scope for real increases in direct income and average social benefits. The increase in the size of intergenerational redistribution is the price that has to be paid for population shortages.

Contrary to the policy of lowering the retirement age followed in most countries with a view to combating unemployment, the cost of an ageing population should lead to a rise in the retirement age. With this in mind, it is recommended that measures aimed at a general lowering of the legal age should not be taken, but rather that a flexible retirement age should be introduced.

However, the following question arises: was the replacement of distribution by capitalization likely to ease the financing problems posed by the change in population, to contribute to economic growth by the formation of capital funds and be able to strengthen confidence in the future of the pension system? The arguments in favour of this transition are against any such recommendation. Past experiences have shown that capitalization does not provide the best guarantee against authoritative diversion of funds from their destination. The only guarantee for old-age pensioners lies in the law. From a social point of view, the change from distribution to capitalization would affect income distribution and bring about less extensive solidarity. It is worth pointing out that the pension by distribution scheme does not, from an economic point of view, seem to have a negative effect on household savings. On the other hand, a capitalization system does not necessarily guarantee an increase in investment — and therefore growth — especially when one bears in mind that during the transitional period, taxation or some such imposition is bound to be increased.

As regards the effects of the demographic evolution, capitalization guarantees the financing of pensions from an individual point of view, but from a macro-economic point of view, it is probable that decapitalization by the increasing number of pensioners will not



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be compensated for by the amount of savings made by the decreasing number of employed persons.

Demographic changes, particularly the fall in the birth rate leading to a decreasing ratio between active and non-active persons disprove the widespread

belief that capitalization is not a solution to the problems of financing pensions in the future. Indeed, the relative increase in the number of retired persons is an added burden for society to bear.

In the 1960s, European industry was characterized by a progressive rise in

relative labour costs; this situation accelerated the process of labour saving (in other words, the substitution of work by technology). Under the so-called continental system, financing social security by earnings-lined contributions has specifically contributed to an increase in labour costs, and this may be regarded as a tax on employment and a hidden subsidy for the capital factor, and consequently considered to have an adverse effect on employment.

The present classical proposal, designed as a solution to this situation, is to replace salaries by a 'basis for calculation' which is neutral with regard to employment, namely the value added. A very detailed series of research and economic studies, whilst not casting doubts on either the accuracy, the reasoning or the facts observed, leads to the conclusion that this radical change would have only a very slight influence on employment and would not justify such an operation.

This, admittedly, rather harsh conclusion in a debate which has become classical, does not, however, rule out other measures aimed at specifically directly reducing labour costs, especially to assist highly labour intensive companies. An initial general recommendation would be to reduce the overall cost for companies by increasing the share in social security financing accounted for by direct or indirect taxes, preferably for social benefits which are not directly related to the execution of work. A second, more specific way consists of changing the basis for wage calculations — by introducing a wage floor or a standard reduction, so that a fraction of a worker's wages would be exempt from the employer's contribution. A concrete example of the combination between a standard reduction in the employer's contribution and the substitution of this contribution by indirect taxation can be found in the Belgian scheme, known as Maribel.

To what extent does social security function as an efficient instrument for social protection?

In spite of the large amount of financial resources devoted to social security, poverty (from a financial point of

view) persists; consequently, implementation of a guaranteed minimum income is still a top priority. Financial insecurity is concentrated among certain categories of the population (old people, the sick and handicapped, the long-term unemployed, broken homes) and principally affects persons or households with education deficiencies, lack of professional qualifications, occupational status, and social background. Poverty is determined by social and cultural elements: the way of life and professional career, often a source of administrative difficulties; the level of social benefits which is too low for households with no other incomes; the ability to have dual incomes (a generalized phenomenon among the younger generation) is often a more efficient form of protection than social security.

From the legal and institutional point of view, social insurance systems do not effectively manage to guarantee a minimum income, because the granting of benefits is linked to a full-time professional activity. The effect of this is that some people are not entitled to benefits and many are only partially entitled. The systems which cover the entire population often only provide for lump sums, which are relatively low, since the problem with a generalized system is its very high cost.

It is recommended that a special scheme with a guaranteed minimum income should not be introduced, but rather that elements likely to make such a guarantee effective be introduced into existing systems. Negative taxes, generalized benefits or social dividends are to be regarded as models rather than practical proposals.

Provision should be made in the various social insurance sectors for the granting of minimum benefits, even in cases of partial entitlement, without an examination of the claimant's resources.

As a safety net, provision should also be made for the same minimum benefits under the social assistance system, but in this case following an examination of the claimant's resources.

From the administrative point of view, an organic bond should be set up between social insurance and social assistance, so that those concerned can exercise their rights easily. It should be pointed out that this proposal is not designed to reduce social security to the level of social assistance, but on the contrary, to gradually raise social assistance to the level of social security.

Given the differences in the way of life and in resources, it would not be feasible to determine a common poverty line for all the European Community member countries. Member States could individually define a general level of minimum-guaranteed income and include this level in national legislation, together with the procedure for automatically adapting this norm to changes in prices and well-being.

In addition, the suggestion has been made to set up a European Fund in order to financially assist those Member States intending to introduce a guaranteed minimum income. This Fund would be the concrete, effective expression of European solidarity in the fight against poverty.

In spite of the considerable efforts of the Commission, European discussion of this matter comes up against two ma-

ior obstacles: the lack of comparative information on the national systems, problems and solutions, and the lack of integrated social research — in other words research organized on a European level in which the various national research institutes could take part. This is perhaps the dream of a scientist, but it has to be recognized that communitarization is more advanced in economic and technological areas.

Finally it must be said that meetings such as the Habay seminar prove the increasing awareness of social welfare problems and solutions, at least at the level of the social, administrative experts and officials. In fact, social security can no longer remain a concern restricted by national borders and responsibilities, alongside the creation of a supranational economic unit. We await, from the Community's political authorities, the assertion of a will to uphold and promote the social security system (adapted to the crisis in resources and social changes). Social security is, indeed, a European value and should be regarded as an essential, integral element in the creation of a great European market, a guarantee for our economic and social development.

Herman Deleeck
(Chairman of the seminar)

Papers presented by Profs
Abel-Smith (UK)
P. Bradshaw (UK)
F. X. Kaufman (D)
L. Liesering (D)
W. Schmael (D)
D. Strauss-Kahn (F)

The participation of women in sectors of the social economy

Introduction

The Commission has just completed research aimed at assessing the occupational position of women working in the sector of the social economy in four Community countries: France, Italy, Belgium and the United Kingdom. This research is in keeping with Community policy on the promotion of equal opportunities between men and women. It is within the framework of the medium-term Community programme on equal opportunities (1986-90), recently adopted by the Commission, that the report's recommendations and conclusions will be acted upon.

As a result of the diversity of economic activities carried out by the organizations in the sector of the social economy, the study has concentrated on a very specific type of organization, that is service organizations, in the tertiary sector, which all have the distinctive feature of exercising a political influence on the taking of decisions by public authorities. It is this criterion, among others, which led to the choice of the following organizations: employers, professional and economic associations, trade union associations, cooperative associations, and for Belgium, mutual benefit insurance companies, bodies which are particular to this country.

The study paid particular attention to those aspects which play a determining role in the worker's condition: access to the occupation, salary, hours and benefits, vocational training and promotion.

The policies of these organizations both *vis-à-vis* permanent staff (workers within the body) and those elected representatives (members' delegates) were examined.

The occupational position of women in the sector of the social economy: some observations

In spite of the economic crisis, the tertiary sector has continued to create jobs. Moreover, in actual fact it is this type of activity in which a relatively high number of women are occupied.

If we look at their occupational position in the sectors under study, some common features can be observed.

In general, there is a segregation of jobs: management is still dominated by males who, depending on the member country and the type of organization, account for between 93.3% (Belgian trade unions) and 50.3% (French employers' professional and economic organizations).

This predominance of males at the top is not proportional to the number of males among all employees and even less so at the level of administrative and

executive employees.¹ In France and the United Kingdom, there are a greater number of females among all staff, 51 and 53% respectively; the number of females is lower in Italy (37%).

At salaried management level, trade unions are the most male-dominated sectors whereas professional, economic and employers' organizations, except in Italy, employ a relatively greater number of women.

The under-representation of women within trade union and cooperative organizations occurs at two levels, corresponding to the two statuses women can have in them:

- (i) salaried employees;
- (ii) members.

The trade union organizations comprising a large number of females, indeed a predominance of them at rank and file levels, do not have a higher proportion of women either within the internal structures (= the salaried employees), or on the representative or elective bodies (= active members — those elected). The same phenomenon is to be found in associations of cooperatives where there is a majority of women — both salaried employees and members.

The analysis of working conditions brought to light two forms of direct discrimination. The difference in retirement ages persists. This difference is sometimes more acute due to the practice whereby some managers, at their own request, work until 65, whilst it is precisely among this category that the lack of women is relatively great.

There are also differences in the treatment of men and women as regards fringe benefits and professional social security schemes (pension plans, sickness-disability insurance).

In spite of the difficulty in defining the limits of the notion of 'indirect discrimination', researchers take the view that

¹ There were even organizations where the management was 100% male and administrative and executive employees 100% female.

age is a relatively greater obstacle to entry into employment for women than it is for men.

The distinctive nature of the organizations examined leads them to require greater availability from their managerial staff compared to other service organizations. This criterion also turns out to be discriminatory, and perhaps even more so due to the practice of only hiring people below the age of 30—35.

Moreover, researchers have also observed that in the United Kingdom, where the 'Equal Opportunities Commission' has existed for 10 years, personnel staff cited 'availability' least as a decisive criterion in the selection of management staff. The surveys did not, however, show whether this phenomenon was a reflection of a reality or whether, on the contrary, it was the result of an increased awareness of practices or criteria which could be accused of constituting indirect discrimination leading to attempts to avoid this situation being pointed out.

Generally, it seemed the selection criteria for management staff lead to a situation where female managers are most likely to see their applications being given favourable consideration in departments which require little travelling outside the head office: the study department (economic, legal, fiscal), administration and personnel.

Recommendations for action

The report led to a certain number of recommendations for action with a view to improving the situation for women in the sectors under study, not through increasing the number of them, which is already quite high in the non-profit making sector, but by encouraging promotion for them, especially to decision-making levels.

A first series of recommendations concerns awareness campaigns aimed at socio-cultural changes.

These campaigns should be able to counter the lack of female culture in our Western European society.

A minor Community structure should influence communication channels in order to increase the flow of information concerning women's activities and lives, thereby creating an image of a world in which women play as important a role as men.

As for the means of attaining this aim, emphasis is laid, among other things, on the setting up of a press agency which would broadcast news on a daily basis on the network of one of the largest existing agencies and would have full-time, exclusive offices — journalists — in each member country.

Other ways suggested are, for example, through providing support for the production of films where women are 'portrayed' positively, the creation of a prize where the winner would be a woman who has been particularly outstanding in her occupation and the creation of a good behaviour certificate for companies following a non-discriminatory staff policy.

A second series of recommendations was aimed at increasing the participation of workers and employers in trade union and cooperative meetings.

This involves making these organizations understand that the participation of women in meetings for active members could be increased if child-minding facilities were more readily accessible outside current working hours. (This is also true for political parties but it does not, however, fail to call into question the division of family and domestic tasks, between men and women.)

Then, measures are put forward to make entry into the elective positions in trade unions and cooperative organizations easier.

These measures would be aimed at convincing these organizations, if they regard themselves as being democratic, of the political need to promote the election of women to these posts.

As regards forms of action, the report recommends the launching of a model programme for political measures aimed at increasing the number of women in (elective) decision-making organs at all levels and, at the same time,

the drawing up of a practical guide for the implementation of this programme within these organizations.

A final series of activities is aimed at all the sectors examined.

The following measures, among others, are recommended:

- (i) the drawing up and launching of a model programme of positive measures aimed, on the one hand, at increasing the number of women in non-elected salaried management positions and, on the other hand, a better utilization of female human resources. This programme should take the form of a practical instruction manual highlighting the advantages for employers;
- (ii) the training of instructors for vocational training courses, in special fields: non-discriminatory staff management, positive measures and the creation of a course on these two disciplines which could serve as course material for vocational training courses for general and personnel managers;
- (iii) the integration of these course instructors in training programmes that all these organizations have set up;
- (iv) the organization of work sessions, with personnel officers to train them in non-discriminatory management and show them the advantages of such a policy.

Contacts with schools and post-graduate faculties are regarded as being very important. These contacts ought to be able to lead to the general integration of the notions of 'positive measures' and 'non-discriminatory personnel management' in management courses for companies. The involvement of instructors on vocational courses as 'visiting professors', in this type of training centre, could also be envisaged.

The creation of a good behaviour certificate for companies following a non-discriminatory personnel policy is also recommended.

The recommendations made in this report are obviously only the author's

opinion and do not, in any way, express the opinion of the Commission. They will be discussed by the Advisory Committee on Equal Opportunities which will issue a formal opinion on the subject. It will be on the basis of this opinion that the Commission will decide on the policies to be followed with a view, on the one hand, to remedying existing in-

equalities and, on the other, to ensure mixed employment and better utilization of human resources.

This sector of the social economy figures in the Community's medium-term equal opportunities programme, 1986-90, as the sixth sector where the Commission regards it as important to

support and encourage positive measures to assist women; the other sectors — where measures are already under way — are the civil service, the banking sector, industry, local initiatives for the employment of women and the media.

Marie-Josée Raetsen

The use of microcomputers in smaller business — Social implications

Over the past few years we have seen the use of microcomputers beginning to spread in offices in smaller companies. Advanced computer technology is becoming an integral part of the office in smaller enterprises. This new technology takes the form of devices for data processing, text handling and filing and communications.

What are the effects?

While there is much speculation on the possible effects of this new technology on smaller companies, the phenomenon is so new that there is little objective data available to answer questions such as:

- (i) what are the major uses of microcomputers based on technology in smaller companies and how are these uses likely to develop as companies gain experience in this technology;
- (ii) in what ways are microcomputers contributing to the competitiveness, management and control of small companies? How might this contribution be improved;
- (iii) what categories of staff are affected by the use of microcomputers and how are they affected, how has the content of their jobs changed and what are staff training requirements?

To get an answer to these and like questions, the Commission recently conducted a survey¹ on the use of microcomputer in the administration and management processes in smaller business. Over 150 small companies were surveyed in Denmark, Greece and Ireland. The sample survey sought to balance manufacturing, retail/distribution and services.

Qualitative benefits

The survey shows that many of the perceived benefits achieved to date in small companies using a microcomputer appear to be of a qualitative nature, particularly in Greece and to a lesser extent in Ireland. In over one third of the companies surveyed, managers were able to quantify elements of the benefits obtained, in Denmark over half of the companies were in a position to estimate the level of benefit achieved. One reason for the predominance of qualitative benefits may be that almost one third of the companies in the survey proceeded directly with the computerization projects and did not undertake any form of feasibility study. As a consequence, it

is likely that specific targets for improvement may not have been explicitly set, and that companies may have looked for a more general improvement in existing procedures.

Ad hoc approach

The approach adopted by many of the participating companies towards computerization appears to be somewhat *ad hoc*. In a number of instances, managers did not have a conceptual framework for analysing the process of computerization that their companies had been through. It would appear that in general, opportunities for reviewing project milestones and taking corrective action were not widely availed of. In part this may be due to the following factors:

- (i) lack of previous company experience with computers;
- (ii) little personal experience of computers;
- (iii) low utilization of external objective sources of professional advice;
- (iv) lack of training in relation to computer feasibility studies, equipment and system selection and planning for implementation.

A slight loss in employment

The overall effect of the introduction of the microcomputer would appear at this stage to have resulted in a slight loss in employment together with some non-replacement of staff. It appears that those most at risk are general office and accounts staff. It is not evident whether this slight downturn in employment represents a short-term trend which may in the future be offset by company expansion brought about through in-

¹ Microcomputers in the administration and management processes in smaller business. The emerging experience in EEC countries by the Irish Management Institute, IP 85. Available as a 'Document' from the Office for Official Publications of the European Communities, L-2985 Luxembourg.



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creased competitiveness and control. However, viewed against a background of difficult home markets, and expressed management interest in staff time savings and in some cases staff reductions, it is possible that the longer-term effect may be leaner and more competitive small companies who are heavy users of computer technology. As a consequence of this, there would be an expected increase in employment opportunities with software companies, equipment suppliers and maintenance companies. This could result in a market with an increasing need for additional staff with skills in computer-based implementation, programming, computer software, systems analysis and design, project management and marketing of high technology products.

Computerization of existing manual jobs

While it would appear that to date little company reorganization has taken place as a result of using a microcomputer system, this may in part be due to the way in which systems are being implemented, e.g. the microcomputer is being used as a more efficient way of processing existing manual procedures. In the future, where opportunities for processing work in different ways are recognized and made use of, and a more integrated approach to computerization adopted, the effects of computerization on company organization may be more pronounced. Before that stage is reached it is likely that many of the companies in the survey would have to go through a period of systems integration

and in many cases systems redevelopment.

Greater discipline

Over three quarters of the companies believed that there was a need for greater discipline and formality in company procedures relating to the use of the microcomputer. This included:

- (i) the need for greater accuracy in data preparation;
- (ii) the need to work in a systematic and thorough way;
- (iii) the requirement to schedule work for processing on the microcomputer.

Consideration of the above factors, together with greater attention to staff consultation and the need to promote staff acceptance of new technology, constitute areas where greater management focus on the impact of the microcomputer on staff and jobs, could smooth the path towards easier and more successful implementation of computer-based systems.

Further staff training

Over half of the companies in this survey expressed a need for further staff training in relation to the microcomputer. In Greece the proportion of companies was even higher, standing at 70%. The further training needs appear to include the following:

- (i) systems analysis and design: over half of the managers interviewed felt that they had little or no knowledge at present about methods of systems analysis and design. Many of the managers did not appear to know the meaning of the terms. Over two fifths of the managers expressed a preference for a significantly greater level of knowledge in this area;
- (ii) approaches to systematically developing new systems for a microcomputer: approximately half of all managers interviewed felt that their

level of knowledge in this area was very low and indicated that they had a significant preference for improving on the current position;

- (iii) software knowledge: in relation to operating systems, two thirds of the managers interviewed believed that they knew little or nothing about operating systems. In a number of cases it was clear that the managers being interviewed did not really understand the meaning of the term. Over three-fifths of the managers have little or no knowledge of computer programming or what it involves.

Lack of systems development

A good company appreciation of the methods and techniques involved in the above areas is important in assisting the successful development of effective computer-based systems which will contribute to organizational competitiveness. It would appear that most of the companies surveyed have not been provided with a solid appreciation of approaches to systems development, techniques of systems analysis and design, and microcomputer software. As a consequence, company use of microcomputer technology may follow limited and narrow directions. This could prove a delaying and constricting factor in the

future use of new technology by many small companies.

Positive experiences

Overall it appeared that in the sample of companies surveyed the experience of using a microcomputer has been positive in all three countries. The use of microcomputer technology in company administration has in most cases contributed to the competitiveness, management and control of small business.

Three conferences: Athens, Copenhagen, Dublin

As part of the efforts of the European Commission to promote the social dialogue, in particular on the implications of the introduction of new technologies, the report on the survey on use of microcomputer in smaller business was discussed at three conferences, one in each of the countries where the survey was conducted.

National organizations (employers and unions) research institutions, journalists, etc., attended the conferences.

At all three conferences the main issues raised by the survey were discussed with great success in a national context. Altogether almost 300 people attended the three conferences.

Lars Erik Andreassen

Europe in the world economy

report of an international working group presented at a one-day conference in Brussels

On 23 January 1986, in Brussels, members of a Working Group of the European Federation of Economic Research presented an interim report of the group on 'Europe in the world economy'.

This report forms part of an ongoing programme of research intended to contribute to policy formulation by analysing underlying developments in a historical perspective. As the title suggests, the focus is on strategic problems facing Western Europe as a whole. It is hoped to give further attention to different problems facing individual countries in future work. This report attempts to provide a framework and synthesis.

The report started from the assumption that Western European countries are experiencing a common, long-term crisis due in large part to integration of the national economies within Europe and to changes in the world economy of which Europe forms an important part.

The integration of markets, production and finance within Europe has meant that the fortunes of any one country are inescapably bound up with those of the continent as a whole. No European country has been able to avoid the ill effects of international recession over the past twelve years. With only minor exceptions, the rate of economic growth has slowed down by a similar amount in each country. In no country have national government policies, whether of the Keynesian, monetarist or supply-side variety, been able to prevent this slowdown. Only in one or two countries have governments been able to avert a large rise in unemployment.

At the same time Western Europe is such an important part of the world economy that it cannot avoid being affected strongly by global developments. Equally Europe's weight in world trade and finance means that the responses of European governments and markets, considered in aggregate, have a major influence on the rest of the world. For example, the oil crises and slumps of trade in 1973-75 and 1979-81 presented European countries with difficult problems of readjustment. But the particular way in which European countries responded, separately and collectively, contributed to the magnitude and duration of the subsequent recession in Europe and in the world economy as a whole.

The slowdown of economic growth has meant an intensification of competition in global markets which has exerted increasing pressure on European countries. Adjustment processes impelled by international market forces have helped to re-establish *laissez-faire* as a guiding principle for the conduct of economic policy. Following this principle, national governments have been obliged to subordinate traditional social democratic goals. To withstand negative market pressures, or to change their course to

more positive directions, would require an effective framework of economic management at the European level with a degree of centralized policy-making which at present seems remote.

Despite the evident failure of national policies to achieve sustained recovery in any European country, the principles of national determination and resistance to political integration seem to have been consolidated as the crisis has continued.

The absence of centralized economic management in Europe is an important reason why modest growth experienced in individual countries does not develop into a generalized economic recovery. Under the pressure of financial constraints European governments have continued to pursue policies of austerity. Their national currency systems have proved too fragile. The USA, with a single federal currency, has provided a sustained expansionary impetus to its own economy and to global markets through deficit financing. By contrast Europe's financial conservatism has tended to act as a brake on the expansion of global economic activity.

Methodology

The study draws on two main strands of theory and applied research. One is the 'regulation' school developed in France by M. Aglietta, B. Billaudot and R. Boyer which has produced a large number of studies of the historical and contemporary development of France, the USA and other major capitalist countries. These studies emphasize the combination of economic and social factors which have endowed the economies of those countries with a characteristic dynamic in each historical period.

The 'regulation' approach provided the framework for a previous study by members of the European Federation for Economic Research which examined developments in seven European countries during the past decade. The main concern was to see how far changes in the determination of real wages, conditions of employment and social welfare systems have been similar in nature and

origin in different parts of Europe. Although the form and timing of recent changes was found to have varied from one country to another, the study identified a common shift of priorities in favour of economic efficiency and industrial competitiveness at the expense of social objectives. This observation, suggesting that European countries have been responding to similar international market pressures, provided a motivation for the present study.

The other main strand of theory and research underlying this study is the 'neo-Keynesian' school, associated particularly with economists at Cambridge, which has concentrated on macro-economic constraints and regularities of behaviour which define 'models' of national or international economies. The financial constraints and behavioural regularities summarized by these models, in conjunction with alternative forms of government intervention, are logically sufficient to determine the dynamic of economic growth and its distribution between countries, regions and classes. The approach has been applied to an empirical study of the world economy in a computerized model which has provided a background of data and projected future scenarios for the present study.

Main conclusions

The report concludes that West European countries have a common interest in developments which strengthen the performance of Europe as a whole within the world economy. Europe's growth and that of the world economy as a whole are closely related.

Without a coherent European policy, coordinated with that of the USA, world economic conditions remain precarious. In the context of slow economic growth European countries are then obliged to adapt to conditions of intense world-wide competition and their governments must follow more or less rigorous policies of monetary austerity. Social democratic ideals of the Welfare State and social justice have to take second place.

Europe's own economy and its position in the global economy cannot be managed effectively through loosely coordinated national government policies. Economic management at the European level is essential in order to regulate monetary conditions, fund deficit spending and negotiate external trade relationships.

Policy-making in these fields needs to be centralized with new structures of political accountability. European policies in these fields cannot be effective if national governments retain the power to block decisions or to ignore or counteract them by independent action.

Monetary policy

Europe could in principle make a coherent contribution to world growth through expansionary fiscal and monetary policies supported by suitable policies on external trade and financing. The essential precondition is the creation of a unified monetary system which would eliminate disruption caused by exchange-rate movements between European currencies and thereby free decisions on fiscal and monetary policy in Europe from any preoccupation with internal exchange rates.

In order to accomplish this it is necessary to consolidate the administration of reserves and exchange intervention into a single institution which in effect would have to take over the monetary functions of the existing central banks.

The US dollar

Although European governments have been preoccupied with fluctuations in the dollar, the underlying problem is not movements of the dollar so much as instability of monetary relationships within Europe itself. Assuming that internal currency problems could be solved, classical forces of exchange-rate change and interest-rate adjustment could be left to regulate transatlantic flows without too much disturbance to the European economy.

Africa and the Middle East

The ups and downs of the prices of oil and primary commodities and the corresponding fluctuations in the import capacity of primary product exporters are damaging on all sides. They deter long-run development of supplies of energy, raw materials and industrial products, discourage investment in energy-saving and raw material conservation, and are a primary source of volatility in the external financial position of European countries.

Japan and the Far East

The most important structural difficulty for Europe arises from Japanese competition. Japan's persistent tendency to achieve unrequited trade surpluses, due to the very low level of its industrial imports, is a serious obstacle to faster world economic growth. The problem cannot be resolved by generalized protection, still less by discriminatory protection against low income countries whose trade with Europe is largely complementary. The need for Europe and the USA to seek managed trade relations with Japan is therefore urgent.

Europe's competitive position

Doubts are raised in the study about whether the main preoccupation of structural policies needs to be that of strengthening Europe's competitive position. A stronger competitive position may easily induce changes elsewhere in the world which largely or wholly negate its benefits. A gradual long-run erosion of Europe's share of world industrial markets is probably inevitable and even desirable in so far as it opens up opportunities for industrial development in less prosperous regions of the world. In any event the loss of industrial market shares is partly compensated by a long-run decline in the economic significance of Europe's deficits in food and raw materials and conceivably, in future, in energy.

The role of local authorities in promoting local employment initiatives¹

Introduction

As unemployment has risen dramatically in the European Community over the past six years so too has increased the concern of local authorities. Throughout Europe, they have engaged in a wealth of initiatives and the extent of their involvement in economic development continues to grow. The main emphasis has been placed on the promotion of economic development generally, with an implicit assumption being made that unemployed and other disadvantaged people would benefit from any general improvement in the economy. Relatively few authorities have devoted much attention to trying to ensure that such people do benefit. Notable are those authorities which specifically have adopted policies to promote local employment initiatives (LEIs), for they recognize that there are alternative ways to create work and that many disadvantaged people can do that for themselves with some appropriate support. In particular local authorities in France and Britain are very active in promoting LEIs.

The 'mobilization of indigenous potential' has become the catch-phrase of regional and local economic development. Regional and local policy-makers doubt the efficiency in creating jobs through macroeconomic policies currently being pursued and have realized that there is no longer a large number of major national and international companies seeking sites for new investment. They also accept that much more attention needs to be paid to ways of encouraging investment and the creation of new jobs within each region, relying on the region's own resources and capabilities. There is a current theme of 'capacity building': how can you harness local resources, especially the skills and energy of local people, to make the way the regional economy works more self-reliant, resilient and adaptable to economic changes, based on principles of enterprise, flexibility and local control and commitment? The alternative is thought to be allowing the existing social and economic structure to fossilize. At the same time, many individuals and groups have been considering increasingly how to create work for themselves rather than relying on others to provide work for them. Their motivation may be entirely pragmatic, in seeking a route out of unemployment or bleak career prospects, or more philosophical, in seeking an alternative style of work.

On the other hand, there are still a large number of local authorities which have not come to terms with current economic circumstances, and do not fully appreciate what the promotion of economic development and LEIs entails for them if they are to be serious about helping to create jobs. Some authorities continue to resist the case for intervention beyond a traditional role of providing infrastructure and public services. But their numbers are fewer as perceptions have changed about the likely duration of unemployment as a special problem and about the legitimate role for local authorities in economic development.

Background information, methodology

The study substantially develops previous work carried out by the Planning Exchange for the OECD on 'the role of local government authorities in economic and employment development' (Waters, 1985), and draws upon published research for the Commission of the European Communities on local employment initiatives, current comparative work on the organization of local government in different countries by the Institute of Local Government Studies at the University of Birmingham and related projects at the Planning Exchange including Ledis, the Local Economic Development Information Service, which features brief case-studies of local economic initiatives. The research has benefited from access to the papers produced by the ILE programme of the OECD and to the individual returns of local Authorities to the Council of Europe (1983 a—e) survey.

The research project has further benefited substantially from the initiative of Barnsley Metropolitan Borough Council, Yorkshire who proposed the holding of an international seminar for local authorities. The idea became part of this research project. A successful conference was held from 17 to 19 April 1985 in Barnsley, organized by the Planning Exchange, co-sponsored by the EC Commission, the International Union of Local Authorities (IULA) and Barnsley MBC, and with the assistance of Bradford and Sheffield City Councils. The conference was used as an active part of the research programme, to make contacts, obtain background information and discuss issues. A large amount of conference time was planned for discussion, and the programme included visits to local economic initiatives in Barnsley, Bradford and Sheffield, a feature much appreciated by delegates. The conference lasted two and a half days and was attended by 55 participants from Denmark, France, Germany,

¹ Study by Derrick Johnstone, the Planning Exchange, Glasgow.

the Netherlands, Spain and the United Kingdom, invited by IULA.

Conclusions and recommendations

The study highlights the wide range of possible actions available to, and being undertaken by, local authorities. Some relate to support for small and medium-sized enterprises (SMEs) and local employment initiatives (LEIs) with no distinction made between the two categories, or to LEIs as a whole, or to specific kinds of LEI such as cooperatives, community business or ethnic minority enterprise. The section of the conclusions makes comments and recommendations upon a range of possible actions by local authorities and is followed by a statement of the main organizational issues.

It is important to remember that particular local authorities may be too small to undertake some of the following activities and that other bodies may be better placed to act. However, it is possible to generalize broadly about what local authorities should consider, allowing for variations in available powers and resources.

Specific actions by local authorities

Land buildings: Given the need of SMEs and LEIs for small, inexpensive premises and the reluctance of the private sector to provide such accommodation, local authorities should consider steps to make a range of small workshops available for sale or on flexible leasing terms. Typically this may include providing finance, or a financial guarantee, towards project costs. Local authorities should also, wherever possible, be prepared to make available redundant buildings or surplus land to LEIs on appropriate terms.

Finance: As many LEIs suffer difficulties in obtaining start-up finance, because, for example, they lack their own capital, security, and a 'track record' in business, local authorities should con-

sider providing financial assistance, in the form of grants, loans on preferential terms, loan guarantees, or tax concessions. Even established LEIs may experience difficulty as they expand, as for example, in the case of worker cooperatives hampered by limited equity capital. Loan guarantees are perhaps the most attractive option as they require the bank or other financier to make a commercial judgment on the applicant's likely prospects of viability. By bearing all or part of the risk the local authority allows loan applications to proceed which would not otherwise have been accepted. However, banks may tend to exploit the local authority's scheme by expecting the authority to guarantee loans where previously they would have accepted the risk themselves. Grants may have more appeal to some authorities because of their relative simplicity to administer. Grants may be used selectively and to fund specific items, such as equipment or market research. Subsidies, however, give rise to concerns about government financing of unfair competition and to limits on local authority powers of intervention. Assistance with the preparation of business plans is one of the best ways of helping fledgling businesses with little cost to the public authority.

Local authorities should also consider the option of purchase and lease-back of property where they wish to help firms in difficulty. This can improve the company's cash reserves and help it to re-establish itself, perhaps as a management or worker buy-out. Should the company subsequently fail, the local authority retains the assets involved. Special financial requirements also exist where LEIs are established by local authorities directly or in accordance with local authority policies. This may arise in the training and integration of young or disabled people where trading projects are set up to provide training in a commercial environment. Local authorities should recognize that a diminishing level of subsidy may be required over a longer period, say, three to five years, to ease likely conflict within the LEI of economic versus social objectives. In the examples above this could involve a

diminution of the quality of training in order to make a profit. Criteria for funding in these cases, therefore, should incorporate social as well as economic factors.

Raising local capabilities: Local authorities should acknowledge that efforts to raise local capabilities, through adult basic education, community development and vocational training may be a prerequisite if policies to promote LEIs are to succeed. Otherwise there may be a great gap between the aspirations of a project to promote LEIs and the interest and capability of local people to respond. Possibilities may exist whereby people can be trained vocationally with an option of self or cooperative employment at the end of the training period.

Management advice, training and expertise: Local authorities should ensure that appropriate business advice, training and expertise are available to LEIs. This is likely to be the task for an existing agency or a newly created agency with LEIs specifically as its clients. The latter may be necessary as people setting up LEIs may need more 'hand-holding' than those in 'conventional' small businesses. As with SMEs in general, LEIs have particular needs for assistance and training in marketing, book-keeping and financial control, especially where those people involved have no previous business experience. Where an agency is charged with this task, there should be no expectation that it will be able to pay for itself after an initial period. It would not be able to assist the typically wide variety of clients, often unemployed, if it had to charge a commercial rate for its services.

Training courses can also play a valuable role, but in some areas there is strong resistance to the idea of being 'taught' to run a business. Grants for consultancy or placement of managerial staff may be particularly useful for some LEIs, short of particular forms of expertise. Occasions may arise when the local authority itself may have some expertise to offer, when trying to help a community group get a building project off the ground, providing the services of, say, an architect and quantity surveyor.



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Technical assistance: is a related area where the local authority may be able to provide help-in-kind or to set up a structure specifically to give advice on innovation and production matters or to develop socially-useful products which could be produced by LEIs.

Information: Local authorities are well placed to gather information on aspects of the local economy and labour market, an important task if they are to develop a sound understanding of what can be done locally to promote economic development and LEIs. In some countries, e.g. Italy, there is a great need to develop better information on these matters. Specific data can be very useful to LEIs, e.g. about the availability of sites and premises, financial as-

sistance, suppliers and market opportunities.

Purchasing and contracting: Local authorities, given their substantial purchasing power, should consider whether LEIs should be helped to compete for local authority work, for example, by being given opportunities to tender for smaller supply contracts or information on general purchasing requirements. 'Preferential treatment of LEIs may be considered, but it is likely to lead to protests from other areas and businesses about unfair competition.' Authorities may wish to think about giving contracts to LEIs in the field of public services where State provision has been reduced, discontinued or has failed to keep up with growing needs.

This subject is, however, politically contentious.

Local business development: Local authorities may choose to work with LEIs to develop ways of expanding their markets through collaboration (group marketing in domestic or export markets), sales promotions (through e.g. exhibitions, sales agents and business directories) or identifying new business opportunities. It can be difficult to obtain — and maintain — commitment from participating businesses, but often the potential exists for significant commercial gains, as shown by many agricultural cooperatives, for example.

Promoting an 'enterprising' culture: Just as it was recognized above with re-

gard to raising local capabilities, it is necessary to appreciate that efforts, e.g. through promotional campaigns and work in schools, may have to be made to promote an 'enterprising' culture, to help shift attitudes away from assumptions of always being an employee — or unemployed — towards acceptance that consideration of ways of creating one's own work must figure as an option. This is particularly true in areas of declining traditional industry, once totally dominated by a narrow industrial structure and large enterprises.

Such promotional activities should be seen as a long-term commitment, and should be accompanied by other measures to assist those people stimulated to think about setting up in business in the shorter term.

Animation: Similarly there may be a need to animate activity: to generate local interest and commitment by individuals, groups and the community as a whole, to help develop project and business ideas and to demonstrate what can be done. Such efforts also can take a long time to bear fruit.

Local authority as a hindrance: Local authorities should not fail to recognize that they can hinder as well as help LEIs. For example, officials can place unnecessary obstacles in the path of LEIs by the inflexible application of regulations. Councillors may be unwilling to support community groups in developing ideas for LEIs because they do not trust their competence and hold a very different view of what the authority should be doing to help create jobs, such as develop a science park. Support for LEIs and for technological innovation need not be mutually exclusive activities, but when resources are very limited, politicians must choose priorities.

Strategy, organization and staffing

A number of common themes emerge regarding the possible approaches which local authorities might adopt regarding their strategy, organization and staffing for promoting economic

development in general and LEIs in particular.

Strategy

Local authorities should do their utmost to develop a strategy. This involves not producing some weighty planning document, but rather working out a clear sense of what the local authority wants to achieve and how it intends to do this. This must be based on a thorough assessment of the needs and opportunities facing the area and what resources are available to it. Political decisions can then be made about what the objectives and thus priorities for action should be, including whether or not LEIs should feature prominently.

The most important factor affecting whether or not a particular strategy will be successful is commitment by both elected representatives and officials. If the key actors have the will and are prepared to be enterprising what may to others appear to be unsurmountable obstacles — such as a lack of powers or resources — can be turned into a challenge with an imaginative outcome.

In devising a strategy it is important to see how the various forms of support link together and can reinforce each other. For example, mounting an 'enterprise' promotional campaign will generate demand for workshops and start-up advice and finance. Enterprises subsequently launched can benefit from trade affairs and further advice about marketing and managing expansion, and may grow to a stage where they need to move to bigger premises and take on new staff who require vocational training.

The strategy should also recognize the role of other authorities and agencies and seek to complement, not to duplicate, these. It may be the task for the local authority to act as coordinator of all these various bodies, or perhaps some inter-authority association covering a larger area. The strategy should also incorporate monitoring and review of policies, to help improve future actions and withdraw from unsuccessful ones. Such monitoring is relatively rarely

practised by local authorities but makes sound management sense.

Organization

The strategy chosen has direct implications for how the local authority is organized to implement it. For example, it may be considered that LEIs should be promoted strongly and that a very localized approach is best, so that the chosen structure is a central support unit with fieldworkers operating at a neighbourhood or village level.

Certain points seem essential if local authorities are to take their economic development and LEIs work seriously. First, there should be a central unit to deal with most information enquiries and have responsibility overall for policy and project work. Staff should be closely in contact with councillors who should be able to convene meetings at short notice as necessary. Some form of inter-departmental working should be introduced to try to ensure that there is cooperative working and understanding between members of different professions.

A separate agency to support LEIs may be considered. It could combine an animation role with business advice and training and other forms of assistance. It would have the advantage of a specific remit and should be provided with adequate resources to allow it to fulfil a suitably supportive role given the needs for intensive advice that many LEIs have. Alternatively, an existing agency could fulfil the same function if it is sympathetic to the concept of LEIs.

Staffing

Local economic development and LEIs work demands a new blend of skills rarely found in one person, a blend of public and private sector expertise and experience. Local authorities must acknowledge how crucial it is to appoint the right quality of staff to this work, people who are entrepreneurial, self-starting and personable and who understand business methods, the needs of local people and how to

achieve success when working within the public sector. Their training, to fill the gaps in their skills and experience, must be regarded as an investment and take high priority when planning budgets.

Central governments, local authorities and LEIs

According to the author, a number of points can be made generally about the links between central governments and local authorities which relate to the latter's efforts to promote LEIs.

First, it is still necessary in some countries (notably Italy, the Netherlands, Eire and the UK) for central governments to reconsider the powers and resources available to local authorities. This study agrees with the Council of Europe (1983 a) view that central governments should recognize the essential and complementary role of local and regional authorities, and strengthen their powers where necessary to allow them general competence in economic development. This conclusion was also shared by the Economic and Social

Committee of the European Communities (1984), particularly as it saw a key role for local authorities in assisting LEIs.

Second, central governments should accept the need to ensure adequate finance for local authorities engaging in economic development and LEIs work. Again this is a conclusion common to the Council of Europe (1983 a) report and a view shared by a very large number of local authorities. Many feel that even where special funds have been made available, as under the urban programme in England and Wales, they have lost resources overall because of central government controls affecting other areas of expenditure.

Third, central governments should consider the case for more active support of LEIs, and look in particular at the positive example of France. What deserves particular attention in a number of countries is how funds available for training purposes and temporary employment schemes can be used to help training people to create permanent jobs for themselves over a period and

on a diminishing scale of subsidy. In Britain, for example, this idea has been opposed on several occasions by employers' groups on the grounds that it would result in unfair competition.

Fourth, central governments should also recognize the need to help local authorities develop their abilities to intervene effectively. They may provide or fund appropriate training for economic development staff and development agents (as in France and England and Wales), make technical assistance available, stimulate the exchange of information between practitioners, policy-makers and researchers (a lack, for example, in Germany), and commission a series of practice-oriented research projects. So much of what is happening is novel and developing quickly that there is an urgent need for these activities.

A final chapter of recommendations is addressed to the Commission of the European Communities and will be analysed by the responsible services with a view to future policy proposals at Community level.

Gerda Löwen

The training of long-term unemployed adults

Introductory comments

Adults (i.e. those over 25) who are long-term unemployed (i.e. jobless for over 12 months) are becoming more numerous. The difficulties they experience affect both their personal and family lives as well as their job prospects, and one of the worrying trends is for more and more adult long-term unemployed to remain unemployed longer. The Commission study on this problem area follows a similar one carried out on long-term unemployment among young people, an account of which was published in *Social Europe* No 1/85 (March 1985).

Results of a study

1985 saw the International Youth Year, not that the public of Europe needed a special year to draw their attention to the problems of young people. The insecurities and dangers which surround young people are evident enough be it the real or perceived threat of nuclear extinction, the dream/nightmare of the drug culture or the difficulty of finding and then keeping a job. Young people have the limelight, they are Europe's future and deserve it. That is why at European level three quarters of the European Social Fund money goes on projects to assist the training and employment of under 25 year olds; that is why the education and training of young people figures high on the agenda of European-level meetings.

Alongside the social problems encountered by young people those of adults have not had the benefit of the same high profile. Europe's difficulties in adapting itself to a highly competitive international market and in restructuring its economies accordingly have, however, taken their toll on large numbers of adult workers. Whether it be due to the demise of the industrial sector employing them or the inadequacy of their qualifications, more and more adults are having a hard time on the labour market. The situation is particularly acute for men and women who have been without work for a lengthy period, who have become classified as the long-term unemployed. These people face special problems, not least in the area of education and training given the often poor levels achieved by many long-term unemployed in these fields. Following on from the resolution adopted by the Council of Ministers on 19 December 1984 dealing with the long-term unemployed,¹ the Commission launched a study to examine the problem of vocational training and the role it played in Member States to assist long-term unemployed adults.

The study contractors retained by the Commission (Quarternaire Education in Paris and the Economic and Social Research Institute in Dublin) visited most member countries in the Community and quizzed highly-placed officials

and experts in the field to gain a clear insight into the problem and how countries were tackling it.

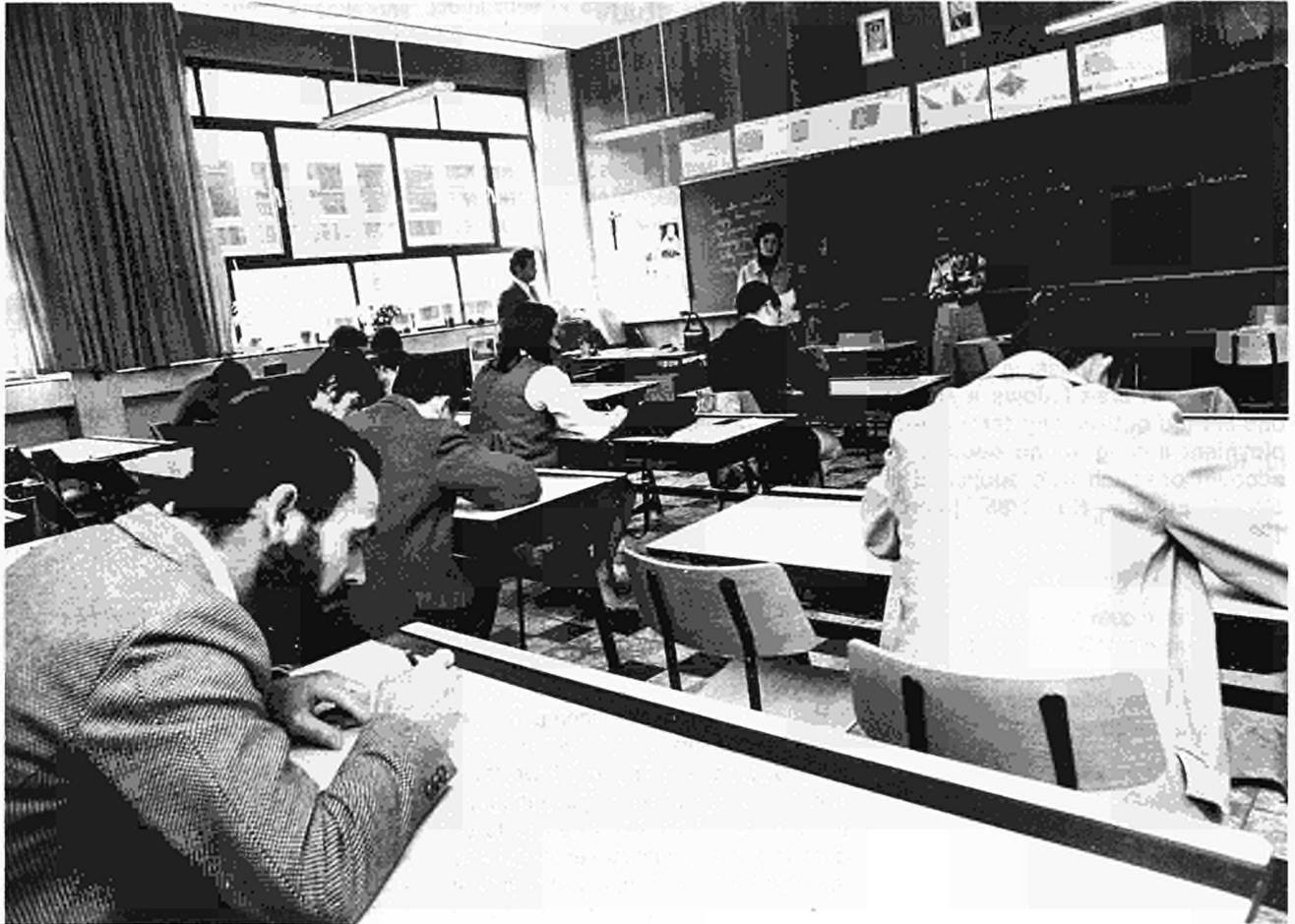
One basic fact underlying the issue was that the phenomenon of long-term unemployment (defined as those unemployed for more than one year in all countries, apart from Belgium which considered two years as the threshold) affected all eight Community countries examined (Greece and Luxembourg not having been covered). Between 28% (France) and 70% (Belgium) of the unemployed are considered long-term (the only exception being Denmark where they only account for 6%).

Most of the increase is due to more people remaining jobless for more than two years. Adults are particularly affected; among the long-term unemployed between 53% (Italy) and 90% (Denmark) were adults. The fact that large numbers of young people are also affected is in itself worrying — they could be the long-term unemployed adults of tomorrow.

Certain common factors are evident among the long-term unemployed, such as their origin in 'crisis' sectors with the impact of industrial restructuring slashing the need for workers, especially poorly qualified ones, the general absence of qualifications and low levels of participation in traditional forms of continuing training, the debilitating effect of becoming poorer (lower benefits, 'new poverty', demotivation, lack of confidence, etc.). One of the main factors which differs from country to country concerns sex; men are more affected than women in Germany, Netherlands, Ireland and UK, whereas the reverse is true in Italy, Belgium, Denmark and France.

In the face of this growing problem what action is being undertaken by Member States? Only Ireland actually has schemes specifically aimed at long-term unemployed adults (social employment scheme, remotivation coupled with sandwich training, double recruitment

¹ OJ C 2, 4. 1. 1985.



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subsidies). Other countries like France, Netherlands, UK, Belgium and Denmark have policies to assist long-term unemployed workers generally. Five kinds of special measures can be discerned:

- (i) temporary job placement, full or part-time, usually in a non-market area or in the public sector (in Belgium and Denmark);
- (ii) temporary work, usually part-time, on projects of social or public benefit (UK, Belgium);
- (iii) improvement of employability (covering vocational evaluation and guidance as in France, or motivation and reinsertion sessions as in Denmark, Ireland and Belgium);
- (iv) pre-training and updating (Netherlands, UK), sometimes coupled with vocational training (Germany, Ireland);
- (v) assistance with recruitment or to set up firms (particularly in Italy).

The kind of measures which have a particular importance for long-term unemployed adults can be considered in three categories:

- (i) improving employability; providing guidance to unemployed adults and giving general education and training (in their native language, maths, understanding society) to assist their return to work or to more vocationally oriented training;
- (ii) vocational training itself, and the need to take account of job opportunities available (cooperation of firms), a step by step approach to training (which could be lengthy), active teaching methods based on trainees' practical experience and avoiding traditional concepts of schooling, and properly trained trainers capable of working with long-term unemployed adults. The process is a long one and an expensive one; the longer one is out of the labour market the more difficult it is to get back in and the more resources are needed to succeed here;
- (iii) job placement enables unemployed adults to break with monotony and

reintegrate rapidly into the labour market. It also renews entitlement to unemployment benefits which often cease after a certain time out of work and contributes to the general impoverishment experienced by the long-term unemployed.

One important question raised by the study concerned the reaction of the authorities contacted in each Member State towards the concept of a social

guarantee for long-term unemployed adults. This concept was mooted within the Standing Committee on Employment during 1984 and concerns the creation of an employment/training guarantee for all those out of work for over 12 months. The general reaction appeared to be cool, largely because (a) such a guarantee would be too systematic and collective (most countries viewing the access to training as an individual right and responsibility), (b) it

would place conflicting demands on training for social utility as opposed to training for competitive success and place strains on training funds earmarked for young people and technology training and (c) there would be no assurance that such a guarantee would improve the access of the long-term unemployed to jobs.

Tim Mawson

Seminar on long-term unemployment

In December 1984, the Council of the European Communities agreed a resolution on action to combat long-term unemployment, a growing problem within the Community.¹ Under the terms of this resolution, the Commission of the European Communities agreed to carry out further analysis and research into the nature and scale of the problem and to collect and disseminate information about successful initiatives to reintegrate long-term unemployed people in the labour market.

At the end of September 1985, the Commission sponsored a two-day international seminar of experts at Liege in Belgium to discuss 'the re-entry of long-term unemployed people into the labour market'. This seminar was designed to bring together researchers, policy makers and practitioners working in the field of long-term unemployment to exchange views on the range of possible responses to the problem, to identify gaps in information and provision and to make recommendations to the Commission for further action. The primary objective was to generate a discussion about practical ideas to improve the employment prospects of those worst hit by the unemployment crisis.

The seminar was organized on behalf of the Commission of the European Communities by Canal Emploi, an organization based in Liège which provides vocational training activities and information for unemployed people, transmitting programmes to the surrounding area through its own television channel.

Representatives from a wide variety of organizations across the 12 Member States attended the seminar, including local and regional authorities, research institutes, national employment services, adult education and training organizations, trade unions and centres for the unemployed. Three panels followed by open discussions formed the basis of the seminar, focusing first on current policies and measures, secondly on gaps in existing provision and thirdly on proposals for action.

Introducing the seminar, John Morley, head of the Commission's Employment and Labour Market Policy Division outlined the background to the seminar and summarized the Commission's current programme of action to combat long-term unemployment, highlighting the support provided by the European Social Fund. Emile Delvaux, Director of Canal Emploi followed with a general introduction to the problem of long-term unemployment, from the perspective of an organization actively involved in providing education and training for unemployed people.

Panel 1: Current policies and measures to combat long-term unemployment

The presentations which formed the basis of the first panel focused on existing policies and measures in aid of the long-term unemployed in Germany, the United Kingdom, France and Belgium.

Over the last decade, long-term unemployment had grown to alarming proportions, affecting more than 12 million individuals throughout the Community. In the UK the average duration of registered unemployment had increased from two months in 1975 to nine months by 1985. The number of people regis-

tered as unemployed for more than five years was now greater than the total number unemployed in 1975. Similarly in France, where long-term unemployed people represented 27% of the total number unemployed, 12% of the unemployed had been without a job for more than two years. Specific national government responses included vocational guidance, training and retraining programmes, rehabilitation measures and temporary work programmes.

The recommendations arising from the presentations and the open discussion which followed focused on the urgent need for coherent, integrated policies to prevent individuals from becoming unemployed in the first instance and to provide social and vocational measures designed to reintegrate those who had already been unemployed for 12 months or more. A first step was to improve statistical and information systems in order to identify the characteristics of the long-term unemployed and to evaluate the quantitative and qualitative effects of policy measures. A choice had to be made — either to accept long-term unemployment as an insoluble problem or to introduce economic and social policy measures on a scale sufficient to eliminate the problem.

Panel 2: Identification of gaps in existing provision

The presentations for this panel were given by a group of researchers who had recently completed a study on the effectiveness of government measures in support of the long-term unemployed. They concluded that traditional responses to unemployment had proved inadequate to deal with the economic and social consequences of the current high levels of long-term unemployment in the Community. Additional measures specifically targeted at this group were required to complement more general industrial and employment policy measures aimed at job creation,

¹ OJ C 2, 4. 1. 1985.



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wealth creation and increased economic growth. Whilst considerable efforts were being made by all Member States to reduce overall unemployment, relatively few initiatives were geared to tackling the specific problem of long-term unemployment: the majority of national governments awarded political priority and therefore priority for the allocation of funds to reducing youth unemployment. A further issue was the extent to which measures such as temporary work programmes resulted only in a redistribution of unemployment rather than a net reduction in unemployment.

The major conclusion drawn from the discussion amongst seminar participants was that long-term unemployment could not effectively be overcome unless there were first the political will to tackle it as a priority issue and secondly the allocation of resources on an appropriate scale. It was further agreed that cooperation between the social partners and the public authorities was the essential prerequisite of an effective strategy to combat the problem. Finally, all employment measures should be assessed to ensure that they did not merely provide temporary solutions which at best disguised or at worst could aggravate the problem for the future.

Panel 3: Proposals for action

Considerable emphasis was placed on the need for improved coordination and presentation of employment programmes including those aimed at the long-term unemployed. Seminar participants recognized that the problem of long-term unemployment did not capture public sympathy in the same way as, for example, youth unemployment. A clear, coherent presentation of programmes and policies at national and Community levels was therefore necessary to draw attention to the problem and generate positive action in response. In this context, the social partners had a crucial role to play in initiating or supporting new measures to help the long-term unemployed.

Priority for measures to prevent people from becoming long-term unemployed should be given to new entrants to the labour market. Young people should receive vocational assessment and guidance in addition to skills training to help determine their particular aptitudes and interests and so increase their prospects of finding and retaining suitable employment.

A return to full employment was seen as an unrealistic goal for the

1980s. Seminar participants agreed that innovative forms of employment such as job splitting, job sharing, cooperatives and local employment initiatives should be evaluated to establish the extent to which they could open up opportunities for the long-term unemployed.

Conclusions

The seminar provided a valuable opportunity for policy-makers, practitioners and researchers to exchange views on the key issues involved in tackling long-term unemployment and to discuss initiatives taken in the different Member States. A major concern shared by many seminar participants was over the growing number of people who have been unemployed for more than two years, whose needs are not met by traditional employment and training measures. As a result, the Commission of the European Communities now plans to set up a study into the phenomenon of very long-term unemployment, with the aim of examining both the scale of the problem and the initiatives that are being taken to deal with it.

Many of the recommendations for further action put forward at the seminar endorsed the actions already agreed in the framework of the Council resolution on action to combat long-term unemployment. The Commission of the European Communities will be reviewing progress on the implementation of these actions at the end of 1986, and will report its findings to the Council in early 1987.

Shan Morgan

List of main speakers

Panel 1

- Frau Joppe (D) — Bundesanstalt für Arbeit, Nürnberg
- David Taylor (UK) — Unemployment Unit, London

Mireille Elbaum (F) — Délégation à l'Emploi, Paris
Marie-Jeanne Siquet (B) — Conseil Economique et Social Régional Wallon

Panel 2

Théo Mittenburg (NL) — Instituut voor Toegepaste Sociologie, Nijmegen
Nicole Kerschen (F) — Institut de Re-

cherche sur l'Entreprise et les Relations Professionnelles, Université de Paris X
Michele La Rosa (I) — Dipartimento di Sociologia, Università degli Studi di Bologna

Panel 3

J. Sexton (IRL) — Economic and Social Research Institute, Dublin

Twan Wilmer (NL) — Aktieplan 'Werkgelegenheid', Nijmegen
Paolo Zurla (I) — Università degli Studi, Bologna
André Piette (B) — Office National de l'Emploi, Bruxelles

New forms of job-sharing in the Netherlands

Introduction

Paid and unpaid work are frequently quite abstract terms, which however play an important role in discussions which have been carried on for a number of years on the subject of a better reconciliation between the time spent at work and voluntary and involuntary free time and the unequal distribution of these two time assets between all persons who are capable and willing to perform a socially useful activity. Efforts towards concrete improvements in the organization of working life in the broadest sense of the word, an area in which frequently the only alternatives are still either full time employment or unemployment, are appropriate, among other things, because in a great number of cases persons employed full-time would gladly work somewhat less, in order to devote themselves to unpaid voluntary work in social organizations and the like, whilst unemployed persons would like to be integrated again, even if only partially, into working life.

Job-sharing and voluntary activities

In order to reconcile these differing objectives and aspirations, a very interesting experiment under the name 'work and well-being' has already been under way at Leeuwarden in the Netherlands since 1 May 1982, with the financial support of the Ministry of Labour and Social Affairs and the Ministry of Culture, Public Health and Well-being. This project has already received positive echoes beyond the borders of the Netherlands in France, the Federal Republic of Germany, United Kingdom and Sweden, and deserves to be introduced to a still broader public. We hope that this report will contribute in a small way to this. How does this project look in detail? In summary:

- (i) Since 1 May 1982 approximately 40 employees from 10 different enterprises in Leeuwarden have obtained partial exemption from work from their respective employers, without any reduction in wages or impairment of their conditions of employment. During the working hours thus freed (between 2 and 2½ days per week) the persons concerned work variously in social associations, neighbourhood help schemes, child-minding groups and the like, in short, in fields of activity which do not compete with the normal economy and which otherwise would be carried out either free of charge or not at all. Approximately 30 associations of this kind have developed specially-designed task packages for such employees.
- (ii) In total this release of employees has resulted in the creation of 12 full-time jobs, occupied by 18 workers. The enterprises concerned receive a 100% refund of the resulting labour costs from the Ministry of Labour and Social Affairs. The goal is in particular the employment of the long-term unemployed. Selection of unemployed workers is left to the enterprises concerned in cooperation with the local labour exchanges.

- (iii) The appropriate arrangements are set down in agreements between the enterprises and participating employees on the one hand and the released workers and the respective social departments on the other. The respective rights and duties of the enterprises, persons and associations involved are set out in the statutes of the 'work and well-being' project.

For a number of reasons the group of employees who can participate in this provision has been limited, in order to ensure in particular that the release of existing employees and the integration of their replacements can take place without major difficulties. The income of all employees involved lies between the legally determined minimum wage and the average wage of all employees, i.e. we are dealing with persons employed in relatively simple positions and who mostly have a basic or intermediate level of education. Secondly, attention is paid to ensure that the tasks to be carried out are ones which can be transferred relatively rapidly to replacement workers, allowing integration to take place without friction. On the other hand, the majority of the unemployed come from the lower educational brackets, with the result that this kind of scheme can particularly improve the situation in this part of the job market.

Of the 10 different employers mentioned above, four come from the public sector, including the City of Leeuwarden, the Province of Friesland and two further public bodies, who have all part-released employees for this project. These persons have taken on the following socially useful activities:

- (i) individual and neighbourhood aid as well as youth supervision;
- (ii) child-minding centres;
- (iii) providing services for older and foreign citizens, as well as activities in sports associations.

At the end of 1984 an independent consultant examined this model project on behalf of the ministries involved. It came to the following results:

- (i) For the part-released persons this work has resulted in a substantial improvement in their life and work quality, since their overall field of activity has become much richer.
- (ii) Based on the new-found variety of activity the breadth of experience of the persons concerned is widened, time is divided equally between paid and unpaid work and work is brought into a social context, i.e. the dividing lines between these two forms of work, which are in any case very artificial, are diminished, and voluntary activities receive a higher value rating.
- (iii) This project has created stable jobs and a gap, albeit small, for job-seekers to use their abilities on the labour market. The fact that these jobs are in turn occupied in part by part-time employees has had the effect of assisting a larger number of unemployed persons.
- (iv) The social associations employing the part-released workers have been very satisfied with their new workforce, in particular because they are dealing with highly motivated persons who are also available during the daytime.
- (v) There are signs that normal employment relationships have not been endangered or 'competed away' as a result.
- (vi) The initial fears of the participating enterprises regarding the ability of unemployed persons to integrate and the ensuing transformation of work organization have not been confirmed. On the contrary, the legal framework developed for this exchange of persons makes for problem-free implementation and

indeed provides enterprises with positive experiences in the fields of part-time working — which they have not so far practised —, of internal promotion possibilities, of better use of production capacities, the improvement of working conditions for older employees and an increase in work motivation of part-released employees.

- (vii) A very important aspect of the project is naturally the question of cost. As stated, 12 full-time jobs have been created, providing a gross annual income of HFL 28 000 a year and involving a wage subsidy of HFL 34 300. If we balance this aid with the savings in social security benefits as well as the tax receipts, each job costs approximately HFL 3 900 a year, an amount which covers not only the cost of the paid job position but also covers the cost of the social work which would either have been carried out on a voluntary basis or not at all. However, these costs do not include the costs of coordination and placement work, which have been relatively high, though these will be considerably lower if the experiment is expanded.
- (viii) The evaluation report expresses clearly that this construction provides good results compared with other job creation schemes (reductions of working hours, work with retention of social security benefits) and has considerable advantages in the areas of job tenure and security.

Based on the whole on very positive experiences, which have also been fully recognized after some hesitation by the trade unions, the report recommends an

expansion of the project, to enable the preparation of a variety of job exchange possibilities, possibly supported by the creation of a framework agreement within collective agreements, and enabling such an instrument to become a fully valid government labour market policy instrument. The report recommends not only expanding the project geographically, but also broadening the range of activities, which, in the social area, are enormous and very frequently understaffed, thereby increasing the number of participants and offering the possibility of developing alternative possibilities much more adapted to the inclinations and capabilities of the individual employed and unemployed persons concerned.

Conclusion

The agency responsible for the Leeuwarden project feels very encouraged in its work by this positive evaluation of its experiment. The relatively narrow scope of the project to date has already demonstrated that such an attempt to reduce unemployment and to provide a better distribution of paid and unpaid work can provide a valuable contribution to labour market policies and also creates an increase in a sense of social value which goes far beyond anything which can be defined in terms of budgetary costs.

In this context it is therefore to be regretted that State support for this scheme has terminated at the end of 1985, and that the experiment has been, at least provisionally, interrupted. Right now, i.e. in February 1986, the responsible ministerial and parliamentary bodies are examining the possibilities of continuing and consolidating the scheme.

Job-sharing, problems and opportunities

In a study entitled 'Job-sharing, problems and opportunities' prepared for the Commission of the European Communities, Dr. Hortense Hörburger¹ presented various arguments and points of view on the subject of job-sharing along with various examples of job-sharing which she then subjected to critical analysis.

First of all, there were considerable difficulties in providing an exact definition of the concept of job-sharing. An examination both of the international literature and actual employment relationships shows considerable differences in the use of the concept of job-sharing. After reviewing the examples provided, the author has decided to define job-sharing as follows:

- (i) The point of departure is a full-time job which can be carried out by either one full-time or two part-time employees. It must be possible to merge the two part-time activities into one full-time job. The definition is based on the splitting of an existing full-time job, not on already existing part-time jobs.
- (ii) Conceptually, the form of time-splitting (daily, weekly, monthly) is irrelevant. The weekly working hours of each team member must (on average) be well below 40 hours, but do not have to be divided equally.
- (iii) Each job-sharer has his own separate employment contract with the employer. As our point of departure is a full-time job, the job-sharing team enjoys all the privileges enjoyed by full-time employees, even when part-time employees are usually excluded from such privileges. The contracts can require coordination between job-sharers and the obligation of mutual representation, but this is not an inherent part of the job-sharing concept.
- (iv) Job-sharing should be seen as a particular form of part-time employment, but one which can include areas so far not accessible to the part-time market, offering the possibility of considerably reduced working hours for career-minded, qualified employees.
- (v) Unlike work-sharing and short-time working, job-sharing is voluntary. Unlike so-called 'solidarity contracts' (France and Italy), job-sharing is mostly tailored to fit individual wishes for special working hours and is not conceived from the outset as a contribution to the fight

against unemployment, even if in some projects this is also cited as one of the motives of the initiators.

Starting with this widely-based definition of job-sharing the author goes on to describe and analyse examples of job-sharing in the USA, United Kingdom, Ireland, the Federal Republic of Germany, and (briefly) France and Belgium. There is also a very instructive mention of the conditions of her own previous employment contract with the European Parliament.

The case studies show that in practice, and depending on existing circumstances in the individual countries, not all elements of the concept of job-sharing have to be fulfilled. In particular the debated question of the obligation of mutual representation, which has featured large in public discussion in the Federal Republic, is scarcely seen as a specific feature of job-sharing in other countries.

Despite certain problems of contract interpretation and problems of coordination between job-sharing partners, job-sharing has become very popular amongst those involved, as it meets the desire for a wider range of options instead of fixed procedures and flexibility in the place of rigidity. Another reason for this positive attitude is that most job-sharing models are based on the initiatives of individual employees. This of course does not mean that employers do not also try and evaluate the advantages and disadvantages of job-sharing in each individual situation. The advantages to the employer include in particular a more flexible work planning, retaining proven employees, reduced absenteeism and improved work continuity. Possible disadvantages are higher costs, communications difficulties, increased personnel department costs and a relatively unfavourable utilization of human capital.

¹ Dr Hortense Hörburger: Job-sharing, Probleme und Möglichkeiten, 1985. Available as a 'Document' from the Office for Official Publications of the European Communities, L-2985 Luxembourg.

The attitude of most European and US trade unions towards job-sharing is cautious, even though they too are ready to negotiate concrete contract conditions in individual cases. Generally there is a fear that the increased flexibility of work times, both for job-sharers and for the workforce as a whole could lead to a general worsening of labour conditions, in particular in periods of high unemployment. For these reasons job-sharing is included in the general negative attitude towards part-time employment and other flexible work-time patterns which, as is well known, are overproportionally represented in less qualified work areas and where employment is relatively insecure.

The author goes on to investigate existing social security regulations and comes to the conclusion that such regulations in the EC are directed towards the traditional model of part-time work-

ing and are as such poorly adapted to this kind of flexible working time models. The more unconventional the division of working time between job-sharers, the greater the social security problems. Also the existence of an upper limit for the assessment of contributions can hinder the splitting of a highly qualified job, as it normally leads to higher contributions for both employers and employees.

The study emphasizes that job-sharing offers the opportunity, to ensure relatively secure employment conditions for women in qualified positions to remain in part-time employment, if they are prevented by family or other reasons from working full-time. The chance of extending job-sharing in the spirit of equal opportunity for men and women in the world of work, is further strengthened if, as in certain British employment contracts, provision is made that if one job-

sharer terminates his employment, his/her partner is automatically offered the job on a full-time basis. Although job-sharing makes no direct contribution to reducing unemployment, it certainly has a role to play in the redistribution of existing work and allowing society to retain important human skills, thereby obviating the need to train new people in these skills at a later date.

Finally the author is of the opinion, that the Commission's draft directive for voluntary part-time work¹ is aimed essentially at guaranteeing minimum conditions for part-time employees and that therefore the promotion of qualified part-time employment such as job-sharing, requires further protection from an insurance and labour legislation point of view.

¹ OJ C 62, 12. 3. 1982 and OJ C 18, 22. 1. 1983.

The restructuring of production times in the enterprise

The question of the restructuring of individual working hours and the optimal utilization of plant and equipment within the enterprise continues to be a theme of current interest and is hotly debated in several areas. In most EC countries a number of measures have already been implemented with a view to structuring working hours in such a way as to increase employment, in particular by flexible reductions in working hours during certain reference periods. Most such reductions are regulated by labour contracts drawn up within specific legal frameworks.¹ But very often it has been left to management and employees at the local level to find appropriate solutions for the enterprise in question, with the aim of coordinating working hours and production times as far as possible and of guaranteeing the optimal functioning of the company from a competitive and employment point of view.

In order to examine these problems more closely, the Commission has commissioned a study which takes a comprehensive approach to these problems and attempts, in a multi-country comparative study, to derive certain common characteristics.² In a certain sense this study supplements and extends a similar study, the contents of which have been summarized in an earlier edition of *Social Europe*.³

The present study is based on a total of 16 case studies from four countries, France, Belgium, the United Kingdom and the Federal Republic of Germany, with four studies from each country. The enterprises selected for investigation come from different branches of industry, and present a varied picture of this part of the economy. In the case of Belgium the author was able to include a large service company in the retail trading business.

Based on these case studies, which are preceded by an overview of the activities of the company in question and of its particular economic, social and legal environment, the author, in an international comparison, comes to the following conclusions:

- (i) in every case examined, the reorganization of company production times, which has taken widely differing forms, (increased shift work and working outside traditional work hours, adaptation to swings in production levels, use of additional part-time employees etc), has enabled more effective use to be made of capital, either in the form of increasing the utilization of plant and equipment (in ten of the cases investigated) or through a more flexible use of production capacity, as demonstrated in seven cases;
- (ii) in almost half the cases examined reorganization of production times has gone hand in hand with a change in job descriptions in the sense of 'multi-skilled' use of employees or of modifications of job contents;
- (iii) effects on overall employment levels have been observed mainly in those enterprises where the reorganization of working hours is a reaction to a large increase in demand and implies a considerable extension of the utilization of plant and equipment, measured either on a weekly or yearly basis. This is particularly the case when weekend shifts are run in addition to regular production;
- (iv) the comparative examination also shows very clearly that, in the area of 'working hours', the management and employees of the companies concerned have had to adapt their negotiating techniques to this new state of affairs. Such negotiations, which are often carried out on a very decentralized basis, which can last from less than six months to up to a year and are frequently followed by an experimental phase, require, to be successful, the provision of a large quantity of information to all involved in the negotiations as well as particular efforts to reconcile the different interests involved;
- (v) in most cases employees are compensated for the reduction or greater irregularity of daily, weekly

and/or yearly work times by means of wage compensation and an overall reduction in working hours. This increased flexibility is almost always followed by a reduction in overtime and is frequently accompanied by improved opportunities for further training.

In the opinion of the author, the results of this comparative study lead to the following conclusions of a more methodological nature:

- (i) the overall economic and social situation of a company must be taken into account when considering the reorganization of production times. In particular when production equipment is being modernized, it is impossible to disconnect questions related to the reduction of working hours from those related to their reorganization (both from a chronological and chronometrical point of view);
- (ii) there is a need to develop and test new decentralized negotiating techniques allowing for maximum participation of employees and their representatives. As such cases often involve complex inter-relationships, the consequences of which cannot always be immediately foreseen, provision should be made for experimental phases, before finalizing agreements. Not only should these involve ongoing consultation with all concerned, but at the same time a framework should be created at higher levels, to prevent undesirable social effects arising from the misuse of the newly created opportunities;

¹ Cf. Adaptations in the labour market with regard to reductions in individual working hours, *Social Europe* No 1, 1986.

² EIFIP — Belgium: Réorganisation du temps de production dans les entreprises, étude dans quatre pays.

³ Work sharing and the reduction and organization of working time at firm level, *Social Europe* No 3, 1984.

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(iii) an increased adaptability of the labour market and increased demands on employees in this respect should be combined with

the following: (a) a reduction in the amount of unemployment benefits, (b) a reduction in the amount of unemployment benefits, (c) a reduction in the amount of unemployment benefits.

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more stable conditions of employment, in which the job itself and a regular income are ensured, even if the number of hours worked varies

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according to production requirements. Overtime and marginalization of certain groups of employees should be avoided.

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The use of new technologies to reduce night work

The Council in 1984 stated that there is a necessity for a common solution of the industrial partners on the use of new technologies to improve working and employment conditions by simultaneously taking into account corporate competitiveness.

Improving employment and working conditions implies particularly improving the conditions of shiftwork and especially night work.

Therefore in 1985 a study¹ was carried out on the use of new technologies to reduce night work. One of the main objectives of this study was to identify and describe sectors and companies where technological innovations led to a reduction of the amount of night work and to look at the conditions which led to this reduction without impairing productivity.

The research that was carried out in two branches — textile industry (without clothing) and electronics industry — covered three countries: Republic of Ireland, France, Federal Republic of Germany.

Besides an analysis of the existing literature, interviews with representatives from unions and employer associations as well as scientific institutions, empirical investigations, telephone and personal interviews in altogether 20 companies with experts from personnel and production departments from work councils and technical staff were carried out.

One should resist the temptation of generalizing the results of this study, especially because of the limited number of companies that could be selected and also because only those companies were chosen which had a certain tradition of night work. Companies who had abolished night work or who had recently introduced it were excluded. The information that could be obtained by the numerous experts of the companies was very often incomplete, which made clear that night work is not always sufficiently documented.

The interviews also made clear that the inhouse debates especially concerning the relationship technology/night work were often one-dimensionally oriented, with emphasis on night work extension due to the use of capital-intensive new technologies.

While the findings of the case studies cannot be generalized — not even for the two branches under investigation — the results provide nevertheless sufficient information on the main problem areas and parameters with regard to the relationship between new technology and night work.

How do new technologies influence the degree of night work?

The introduction of new technologies especially in the production sector affects night work simultaneously via:

- (i) labour-saving effects,
- (ii) increase in output,
- (iii) increase in capital intensity.

The first two types of impacts tend to reduce the volume of night work whereas the growing capital-intensity tends to increase it.

In the long run the labour-saving effects tend to dominate in comparison to the effect of growing capital intensity, while both will continue to coexist. This will most likely lead to a further reduction of manual night work due to increasing automation. But it also means that machines may increasingly keep running around the clock — possibly unmanned.

Thus new technologies have a double impact on night work: via capital intensity they put pressure on firms to introduce or extend night work, but at the same time they reduce night work via labour-saving effects.

Yet in most cases, this double impact is realized neither by unions nor by companies: they emphasize the labour-saving effect of new technologies with regard to day work, and focus on the capital-intensity argument with regard to night work.

Therefore new technologies are perceived by the industrial partners as increasing night work (due to capital-intensity), in spite of their simultaneous labour-saving effect.

In most of the companies investigated the origin of night work was — especially in the traditional textile industry — due to an extension of machine running time into night-shifts. But with increased productivity of the new machinery companies may be enabled to produce at a later stage the previous output with less night work or even fully during daytime, simultaneous labour-saving effects may reduce night work personnel — but also day-shift personnel.

¹ The use of new technologies to reduce night work, Battelle-Institut, Frankfurt/Main, 1985.

Attitudes of the social partners concerning night work in the two sectors

In many of the cases under review the introduction of new technologies had in fact led to a reduction of night work. In both industries, (textiles and micro-electronics) however, no specific strategies to reduce night work had been applied. This reduction was rather an unintentional consequence of several factors contributing to an overall decrease of night work.

It was also found that there was no deliberate resistance against night work, neither by works councils, unions nor by the night-work personnel. Also interesting to note that both industries are characterized by a rather high percentage of women working in the production area. As night work is generally prohibited for women (in Ireland only with special permission since 1985), production areas are often operating in two shifts only — a regulation facilitated by the low capital intensity of those operations. This rotating two-shift system is an alternative solution to a three-shift system, where women rotate during two day-shifts and men work on permanent night-shifts. This means that men working in such systems may be on night-shifts exclusively for several years.

As a rule one can say that these groups do not welcome night work but, given the situation on the labour market, there was a growing acceptance during the last years. This mostly holds true for unskilled and semi-skilled personnel who have adapted their life styles to higher night-work salaries. This in general is a rather difficult hindrance for the reduction of night work — especially in Ireland where some local unions demand compensation payments for those who suffer economic disadvantages due to a reduction of night-shifts.

Besides premiums night work has some attractive features, like less hectic work situations and lack of supervising personnel. In opposition to what one

usually thinks, there are less accidents during night-shifts, in some cases it was even found that quality and productivity were better compared with day work. But it must also be realized that due to the lack of qualified personnel during night-shifts, complicated work tasks — like the start of a new product, maintenance and repair functions — are shifted to day-shifts wherever possible.

Although unions and work councils in the past have accepted night work as a means to maintain or to expand the employment level, in spite of their scepticism towards unhealthy night work conditions, they are not prepared to accept a further extension of night work into week-ends or holidays. A reduction of night work on the other hand is not likely to be welcome either. In the individual companies work councils and unions tend to resist the reduction of night work below an established level. They give preference to the employment argument over the welfare argument, but vice versa to the welfare rather than to the employment argument when new introduction or extension of night work is discussed.

The extension of night work into week-ends for example is one of the demands of the German and the French textile employers because of rising capital intensity and international competition. In Germany unions as well as churches oppose this strategy whereas in Ireland churches are the main opponents. In countries like Belgium, France and England, week-end work is the rule.

Long-term trends

In contrast to the textile industry which is traditionally one of the industries with the highest percentage of night work, in the European electronics industry night work is the exception. Automation of night work in this industry seems to be more advanced than automation of day work.

Night work in the electronics companies is usually not distributed evenly

over all production areas. Normally no night work is performed in the prefabrication area. Some night work is done in the main production areas as well as on the assembly lines, depending on the degree of complexity, capital-intensity, continuity of processes and sometimes on actual market demand.

This means that some companies reserve the possibility to extend night work rather quickly. Similar to the textile industry increased utilization time for expensive machinery is an important reason for night work in the electronics industry. In general the requirements for training and work experience of operating and technical personnel in the electronics industry are significantly higher than in the textile industry due to the complexity of a highly automated production process. Training requirements concern night workers as well as day workers. But as usual, qualified personnel is less easily available for night work than semi-skilled or unskilled personnel. This factor puts some pressure on the electronics industry to reduce night work.

For the textile industry, where automation with the aid of new technology, in particular microelectronics, is most likely to improve productivity, it still seems unlikely that automation — although important developments are underway — will lead to the unmanned textile factory in the short or medium term. Textile material does not lend itself easily to automation, therefore manual tasks will survive, as unsurmountable technological problems subsist. Textile manufacturing is still largely product oriented and requires specific production technology and manual operations according to the type of product.

Many factors specific to this industry will not allow — at least in the near future — for the unmanned production process, but a thinning-out process of existing night-shift personnel in the textile industry will certainly continue.

Gerlinde Schönberg

Workers and their representatives faced with technological changes

Training activities and awareness campaigns

At the request of the Commission two studies have just been made, one concerning the problem of training trade union experts in new technologies and the other concerning campaigns to make workers aware of technological choices.

These two studies are in keeping with the concerns and objectives announced by the Commission in its 1984 memorandum on technological changes and social transformation.¹ They also contribute to the discussions underlying dialogue between the two sides of industry. Indeed, it is just as important to ensure the competitiveness of European industry is strengthened, which is a prerequisite for the recovery of economic and social growth, as it is for the necessary, if not inevitable, introduction of new technologies in the production procedures and structures in companies to be the subject of dialogue between both management and labour on the ground. In turn, the only chance this dialogue has of being productive is if the two parties present are both able to appreciate the nature and impact of the technological choices and their effects on employment, organization and working conditions and training. In this respect, workers and their representatives are in an unfavourable position, often principally due to an insufficient command of technical schedules. Dialogue means communication. This cannot be validly set up if at least one of the parties concerned is unable to appreciate the full worth of the economic, financial and technical elements underlying such and such a planned decision concerning technological investment.

These two studies were jointly carried out by the Braec (Bureau de Recherches d'Analyses et d'Etudes coordonnées)² and by the Isril (Istituto di Studi sulle Relazioni Industriali e di Lavoro)³ in cooperation with the European Trade Union Federation (ETUC). Before even embarking on on-site surveys in several Member States, the studies formed the subject of a detailed discussion that was part of a meeting of experts. The conclusions of these two studies led a discussion which brought around 50 trade union representatives together in Brussels (June 1985).

In addition to listing the training activities and awareness campaigns underway in Member States which were the subject of this research work (Federal Republic of Germany, France, Italy, United Kingdom) and the difficulties en-

countered here and there, these two studies are also propositional in nature: according to the authors, the recommendations, indeed the concrete proposals for action in this area offer wide scope for action where the Community could, if not should, make its contribution.

Between the technological school, which is all too often unaware of the social (complex all the same) realities, and the fundamental positions which are wary of, if not hostile towards, these technologies (largely due to a fear of unemployment) there is very little leeway for a genuine dialogue between employers and labour. It would be deceptive, if not dangerous, to believe that training workers and making them aware of new technologies could miraculously make disputes, if not the conflicts of interests inherent in their introduction in companies, disappear. However, these conflicts can only lead to satisfactory compromises if both sides of industry involved also master the elements of what is at stake — the stakes in a sense.

What is true for workers and their representatives probably applies as much to a certain number of employers, especially the 'small' bosses. Small and medium-sized industries, also through a lack of training, either do not see the potential benefits of new technologies or, on the contrary, launch themselves into them comforted by technical schedules they themselves cannot master. To complement the studies already made, the Commission has just embarked on a study concerning employers.

André Kirchberger

¹ Doc COM(84) 6 final available from the Office for Official Publications of the European Communities, L-2985 Luxembourg.

² The training of trade unionists in new information technologies and in their introduction in companies.

³ The involvement of workers in technological choices: the concentration of awareness campaigns.

Both studies are available as a 'Document' from the Office for Official Publications of the European Communities.

Youth exchange — the hidden problems

The idea of youth exchanges can generate very mixed attitudes. To those who know the work that goes into them and the need to plan every step in the programme with caution, and with respect for the differences in attitude and way of thinking — of 'culture' in the widest sense of the term — they are not just the two-week holiday that sometimes they are presented as being, but rather a means of enabling young people to discover more about themselves, by bringing out a contrast with other, different, young people. As the Community's Youth Forum rather seriously observes, 'Youth exchanges are not organized for their own sake . . . they are a pedagogical tool, a means to facilitate discovery, intercultural and solidarity learning'.

It is difficult to say just how many young people take part in organized youth exchanges within the Community each year, although an informed guess might put the figure at around half a million, with perhaps two thirds of these taking place between the Federal Republic of Germany, France and the United Kingdom. The main, very obvious barrier is that of finance — how to raise the money for travel and for lodging at the other end, or to receive a group coming back. But as the interest in youth exchanges grows, as the numbers of young people who want to participate increases, so a host of hidden legal and administrative

barriers have made themselves felt. A first survey of these barriers, undertaken from the point of view of young people themselves, has just been carried out for the Commission,¹ and it presents a sobering picture of the hidden problems that have to be faced by youth exchange organizers.

The survey was carried out for the Commission, by Cenyc, the Council of European National Youth Committees, and the report written by Annemarie La Rooy. It covers all 12 of the Member States, and surveys areas such as:

- (i) social security and unemployment benefit: suppose an unemployed person goes on a youth exchange. Obviously she or he cannot sign on at the unemployment office, nor be 'available for employment' in the way required. So, she or he may drop off the register, and no longer be eligible for benefit on return until the registration processes have been gone through again. And yet the experience may be valuable in terms of personal development — and therefore, of employability;
- (ii) conscientious objection: in those countries where military service is still an obligation, conscientious objectors are normally under military jurisdiction, and may not travel abroad;

- (iii) nationality: many young migrants or immigrants may not hold a passport from a European Member State — they are directly excluded from the scope of the majority of government-funded exchange programmes, and may suffer problems of entry into other countries.

These are three examples of 'hidden' problems, that restrict young people from participating in youth exchanges, or from taking up opportunities available abroad, usually as a side-effect of their main aim. Others could be cited. The value of Annemarie La Rooy's survey is that it brings out the range of these hidden problems, and compares them between Member States. It will form the basis of discussions between the Commission and its partners in Member States to see just how necessary these barriers really are and what would be the problem — financial loss to Member States, administrative complexity — in removing them.

David Coyne

¹ 'Legal and administrative barriers to youth exchange in Europe': a study carried out for the Commission by Cenyc. Available from the Office for Official Publications of the European Communities. L-2985 Luxembourg.

The Info-action conference



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One event of considerable importance in International Youth Year was the 'Info-action '85' conference and exhibition, held in Luxembourg from 18 to 20 November 1985. Jointly organized by the Luxembourg Government and the European Commission, the conference brought together young people involved in 31 projects throughout the EEC, as well as practitioners and policy makers, to discuss innovative approaches to youth information, participation and action.

The unique feature of the conference was that most of the time in the plenary sessions was given to young people to describe their projects to the officials, from national and regional/local admin-

istrations, who made up the rest of the gathering.

Most of the projects presented involved young people gathering, presenting and distributing information on education, training, employment, legal rights, housing, health, leisure and so on. Many different media were being used by projects to transmit this information to their peers — print, radio, television and the new information technologies. In many cases the projects' activities go beyond information, to other concrete action, for example such as setting up small centres where young people can organize leisure activities, have a meal, meet informally, and so on. The presentations showed that when

young people can participate fully in establishing and managing initiatives, they learn practical and personal skills and are much more highly motivated than when projects are designed for them by adults.

During the meeting, a statement from Mr Jacques Delors, the President of the Commission, announced the Commission's interest in encouraging initiatives for young people and by young people, and aiding them in getting started up.

Working groups provided an opportunity for more detailed discussions on the problems encountered by such projects, especially management and finance, as well as ways in which such

projects could be spread more widely. Criteria to govern projects' eligibility for finance from a future youth action fund were also examined.

Throughout the three days, the exhibition area became a forum for informal contacts. The wide variety of projects, all examples of good practice, inspired an exchange of ideas and operating methods which all participants considered particularly rewarding and worthwhile.

Speaking in the closing session on behalf of the young people present, Murdoch Foley, from an Irish project, proposed, amongst other things, the setting up of a central information bank on all similar projects in operation in the

EEC, a more extensive network of long-term youth exchanges between projects and young people's close involvement in decisions being made on youth policy.

Mr Hywel Jones, the Commission's Director for education, vocational training and youth policy, said that the conference would be 'one of the many sources of inspiration and encouragement to the Commission to think how best to promote good policies and practices for young people throughout the Community'.

A report on it will appear, in all Community languages in mid-1986.¹ As part of the follow-up, the Commission

intends to hold meetings with young people and young professionals active in youth projects. It also intends to publish an information note, which will set out the criteria and general conditions for Community subsidies to youth initiatives. The note which will be distributed to governments, regional authorities, Community Information Offices, and especially to Youth Organizations, will explain how to apply for such assistance.

Margaret Brusasco-MacKenzie

¹ Further information and transcripts of individual speeches can be obtained from DG V/C/1.

The role of computers in guidance and counselling

Conference, held in Brussels by 'Stichting voor de Leerplanontwikkeling' (SLO) from 4 to 6 November 1985

This conference, which was held by the SLO (Netherlands) with the support of the Commission of the European Communities, brought together 100 participants from all Member States, and also from North America. It was the first attempt at European level to put into contact those responsible for guidance and counselling on careers and the producers of current computer programs to assist in this process.

The conference was placed squarely into its European context, with its alarming background of 5 million young people under the age of 25 unemployed, and 8 million unemployed over that age. Part of the problem of unemployment is lack of information and guidance about the possibilities of employment that do exist. Another problem especially for young people leaving education is to find their way through the labyrinths of official information given by employment bureaux, careers officers, social security, etc. The Community is well aware of this problem, and also of the possibilities offered by the new technologies for the development of its human resources; hence the Community has already set up the programmes on new technologies in education and vocational training, Comett (Community programme in education and training for technology), Esprit, Brite, RACE, etc. Computers could also offer a solution to the problems of the indigestible mass of guidance information, and also could be used as a learning tool to guide clients, especially young people in making their future choice of career, education, etc.

Mr T. Watts, Director of the National Institute of Careers, Education and Counselling of the UK then gave a keynote speech. He outlined the history of the use of computers in guidance, described what should be the characteristics of an optimal computer-based counselling scheme, and also explained the functioning of several existing systems. Subsequently most of the conference time was given over to demonstrations of the systems on display (Choices, Compass, Resolve, Eccdis, Selstra, Cacgs, etc.), and to discussion of them and the concept of computer-based guidance in working groups. Opportunities were given for participants to get hands-on experience of the different systems. The three working groups reported very similar findings.

Mr Gathier, Director General of Education in the Netherlands, in closing the conference, formulated the following conclusions:

(i) computers were felt by most participants to be a useful tool, which could add to the quality of service

provided by guidance counsellors. The collection and up-dating of data could be achieved faster and rendered more accessible to the public by computer. It could also potentially reach a wider audience;

(ii) the training of counsellors is essential for the proper use of guidance systems, beyond the simple 'information retrieval' process. The use of computer systems which assist in the decision-making process needs to be developed closely with counsellors, to ensure that students' needs can also be taken into account;

(iii) the greater mobility of students and workers implied a need to study and compare the contents of the different occupational qualifications and educational requirements in the Member States. Some form of European data base should be established, by developing interfaces between present systems in the Member States rather than trying to develop one European system.

It was generally felt that the Conference was very successful in permitting a large number of participants to engage in indepth discussion and first-hand experience of the use of computers in guidance. It allowed policy-makers and professionals in the field from all over Europe to compare the systems currently being developed, and reflect on the possibility of cooperation for the future at Community level.

Margaret Brusasco-MacKenzie

European Community activities to promote regional languages and cultures and ethnic minorities

The European Parliament's resolution of 16 October 1981 on a Community charter on regional languages and cultures and the rights of ethnic minorities¹ marks the start of Community intervention to promote regional languages and cultures.

From 1982, the Commission entrusted the Istituto della Enciclopedia Italiana and the Bord na Gaeilge with studying the current situation of regional languages and cultures in the Community. The study concisely included the background, statistical and geographical features together with the legal, administrative and educational situation of the regional languages. The Italian version has been published;² the French and English versions are being prepared.

In 1982, at the Commission's request, the Association for Films and Television in Celtic Countries made a study on new technologies and their impact on education and vocational training in the outlying, lowly populated regions of the European Community. Among other things, this study identified the needs of ethnic minorities and the strategies to be followed to assist them.

In 1983 the European Parliament introduced a budget heading to assist regional languages and cultures. From 100 000 ECU in 1983, the budget was renewed and increased to 200 000 ECU in 1984, 300 000 ECU in 1985 and 680 000 ECU in 1986.

Although relatively modest, these resources have significantly helped improve the exchange of experiences and information between the Community's ethnic minorities and have set up structures capable of promoting cooperation between those working to preserve and promote the Community's regional languages and cultures.

The most important stage has been the setting up of the European Bureau for Less Widely Used Languages upon the initiative of a group of MEPs. Its headquarters are in Dublin and it has set up national committees in the United Kingdom, Ireland, France, Belgium, the Netherlands, the Federal Republic of Germany and Italy. In addition to the Commission's financial support, the Bureau has received help from the Irish Republic and the Grand Duchy of Luxembourg. It publishes a link bulletin.

Since 1983/84, a series of study visits has made it possible to gain first-hand experience of activities in other Member States designed to promote regional languages and cultures. There were 29 visits in 1983/84 and 64 in 1984/85; 60 visits are planned for 1985/86. Teachers, teacher trainers, cultural instructors or journalists engaged in activities aimed at promoting a regional culture have been awarded the study grants.

The visits are organized by the Dublin Bureau and, in principle, gather people from different countries together.

Many of those taking part publish reports on their visits in journals from their regions.

The first large-scale operation, organized by the Bureau with the Commission's support, was the preparation of a symposium on the use of regional languages in pre-school education. Sixteen case-studies and a summary report, drawn up by Mrs H. O'Murchu, were presented to the 80 participants in a seminar on 'early childhood and bilingualism' organized from 15 to 18 April 1985 in Leeuwarden by the Council of Education of Friesland, with the assistance of the Commission, the Province of Friesland, the Ministries for Culture, Education and Science of the Netherlands and the European Foundation on Culture. This conference highlighted the role of early bilingualism in the cognitive, social development of children belonging to regional cultures, and immersed, from a young age, in an environment where a regional language confronts a dominant language. Moreover, the case-studies and discussions illustrated the fundamental role played by pre-school education in the maintenance, promotion, indeed the learning of the regional languages and cultures.

The reports of the meeting are being published. Recently the Frisian Academy agreed to undertake, in cooperation with the Bureau and its national committees and with the support of the Commission, a survey on the teaching of regional languages and cultures in primary education. The survey will describe educational structures, school programmes and teaching methods and will analyse the teaching aids used. The results will be discussed in a symposium to be held to coincide with the 50th anniversary of the Frisian Academy.

Several symposia and congresses organized by associations and institutions working to promote regional lan-

¹ OJ C 287, 9. 11. 1981.

² Available as 'Document' from the Office for Official Publications of the European Communities, L-2985 Luxembourg 205.



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guages and cultures have been subsidized by the Bureau:

- (i) from 29 July to 2 August 1985 the 'Conference on publications in minority languages' was organized by the College of Librarianship of Wales in Aberystwyth;
- (ii) from 31 October to 3 November the Diwan association organized a symposium in Landerneau on 'Bilingualism, biculturalism and teaching within the framework of linguistic minorities';
- (iii) the European Bureau for Less Widely Used Languages organized the first symposium for young people from regions with minority languages from 24-29 September 1985 in Ti Kendalc'h (Brittany);

- (iv) a conference on the communication needs of adults learning less widely used languages is to be held from 21 to 23 March in Dublin, under the aegis of the Irish committee of the European Bureau for Less Widely Used Languages.

A conference with representatives of radio and television institutions which promote regional languages and cultures will be held in August 1986 in Cagliari (Sardinia) with the support of the region and the Commission.

The subsidization of other symposia or seminars in 1986/87 is being studied. For a symposium to be subsidized by the Commission, it must contribute to the exchange of ideas and experiences between minorities from several Member States.

Thanks to the 1985/1986 budget, participation has been possible in on-site operations serving as models for other minorities.

Accordingly, aid has been granted to the University College of Dublin with a view to making video recordings of Irish story tellers.

Thanks to two pilot experiences started in 1985, a data bank of the Corsican language is being created and teaching material for Scottish Gaelic, adapted to new information technologies, is being produced and distributed.

In the first instance, the new technologies are helping to preserve the cultural heritage of a region. In the second case, it is a case of fighting against the omnipresence of computer material in the dominant language which could iso-

late the regional language from teaching innovations. In both cases, the regional heritage is the vector of a cultural enrichment.

In pursuance to a European Parliament resolution of 16 October 1981, in 1984/1985 the Commission financed a study on the educational situation of gypsies' and travellers' children.

More than a million in number, gypsies are one of the largest ethnic minorities in the Community. Present in all

Member States, they are demanding that their cultural identity should be respected and the right to be regarded as full citizens. Initial consultations with representatives of gypsies and travellers took place in February 1985. Before making proposals to the Council on the education of their children, the Commission will organize a second hearing of gypsies and travellers.

Implementation of the European Parliament's resolutions to promote regional languages and cultures and eth-

nic minorities have been made possible, as least partially, as a result of the annual budgets voted by the Assembly since 1983. Moreover an *ad hoc* group of MEPs has been formed and its stances clearly highlight the place of regional cultures and languages in citizens' Europe. Spanish membership of the Community will only strengthen the trend towards the taking into account of the economic and social cultural features of a region.

Lucien Jacoby

Part Three

Recent developments

Employment policy in the Member States

In response to the wish expressed by Member States delegations in the Council to receive information on developments in national employment policies, the Commission set up a mutual information system called MISEP. The system operates on the basis of contributions from correspondents in public administrations or organizations and a Commission representative.

It provides the relevant authorities in each Member State with regular quarterly information on measures and trends in the employment policies conducted in the other Member States.

Social Europe presents a selection of the information exchanged through MISEP in each issue. The Commission accepts no responsibility for the use of this information, which comes from official national sources. It is presented as a summary, on a regular basis to enlighten the reader on the evolution of various aspects linked to national employment policies.

Developments at a glance

Overall developments

- Germany AFG 7th revision
- Ireland Pay policy
- United Kingdom Ministerial restructuring

Employment maintenance

- United Kingdom Unfair dismissal research

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- Belgium Youth eligibility

Training

- Belgium Transition allowance
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- Belgium Corporate takeovers
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- Ireland Building on experience

Placement

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Short notes

Overall developments

Germany: Amending the Labour Promotion Act (AFG)

The seventh amendment to the Labour Promotion Act (AFG) came into force on 1 January 1986.

Background

The policy of the government and its constituent parties, aimed at improving the employment situation, has led to a sustained improvement in the environment for job-creating investments. The first successes of this policy can also be seen on the labour market: for the first time since 1980 the number of wage and salary-earners has risen significantly; the number of persons working short time has dropped significantly; and the pronounced rise in the numbers of unemployed which characterized the beginning of the 1980s has been all but halted.

Labour market policy underpinned these positive developments. The money earmarked for active labour market measures was increased by 35% in the 1985 AFG compared with 1982: from DM 69 000 million to DM 93 000 million. To an extent not previously seen, vocational training, employment promoting and job-creating measures have all contributed to the improvement of the chances of the unemployed becoming reintegrated into the labour market and to pressure on this market being eased.

In the wake of deficits in the Federal Employment Institute (BA) up to 1983 financial scope has now remerged for labour market policy. Influences such as the improvement in the labour situation as well as the strong shift in the relationship between those in receipt of unemployment benefit (an insurance-based benefit) and those in receipt of unemployment assistance (a state-financed benefit) have brought about surpluses for the BA which are now available for meeting the goals of this law.

The Federal Government and its constituent parties see the seventh amendment of the AFG as a continua-

tion of their employment and labour market policy.

The law, outlined below:

- (i) contributes to promoting employment through completing and improving the vocational training instruments, easing access to job creation measures for older workers, fostering company start-ups by the unemployed and reducing indirect labour costs;
- (ii) preserves the social protection function of the unemployment insurance and unemployment assistance through improving the social situation of the older and long-term unemployed;
- (iii) reduces indirect wage costs by reducing the rate of contributions to BA.

Because of demographic developments, some of the regulations of the law are limited in time to the end of 1989.

1. Promoting employment

A focal point of the law is the provision of additional help to overcome employment problems at the junction of training and employment. Young adults of the baby-boom years of the 1960s are increasingly confronted with the problems of transition following completion of their vocational training. Hence, the law envisages in particular the following regulations:

- (i) young workers up to their 25th year who are looking for full-time employment can, through participating in a part-time training scheme at the same time as working part-time, receive a partial subsistence allowance if the training is necessary for taking up a full-time job;
- (ii) for fixed term employment contracts too, a 'breaking in' subsidy (Einarbeitungszuschuß) can be given; the possibilities open to companies for qualifying the unemployed should be made use of, even if only a fixed term employment contract can be

agreed to because no permanent job is presently available.

The BA's latest structural survey shows that 50% of the unemployed have not completed vocational training and that for those who have been unemployed for more than a year the figure is 57%.

Even though sufficient vocational training is no guarantee against unemployment, better vocational training can significantly reduce the risk of becoming unemployed and at the same time enhance the individual's chances of finding a job again. The growing number of persons undergoing further vocational training and retraining indicates the readiness of the unemployed in particular (they now represent two thirds of participants in schemes) to improve their chances of employment through vocational training. The readiness will be strengthened by the law which will also facilitate access to such measures for a broader target group:

- (i) the incentive to take part in vocational training schemes will be increased by raising the subsistence allowance from 70% to 73% of the reference remuneration for participants with dependants and from 63% to 65% for other participants;
- (ii) for persons undergoing rehabilitation, the transition allowances (Übergangsgeld) will be raised from 75% to 80% for recipients with dependants and from 65% to 70% for the other recipients;
- (iii) during participation in vocational training or rehabilitation schemes a subsistence allowance or a transition allowance will be paid up to the rate of the unemployment benefit or unemployment assistance previously received if there is otherwise no claim to a subsistence or a transition allowance.
- (iv) workers who have temporarily withdrawn from the labour market to bring up children and who cannot take part in full-time training courses due to continuing family commitments can receive a partial subsistence allowance, provided

they had previously been in insurable employment and the training scheme is necessary for ending the unemployment;

- (v) the legal claim to a subsistence allowance loan, especially for vocational promotion schemes, will be reintroduced.

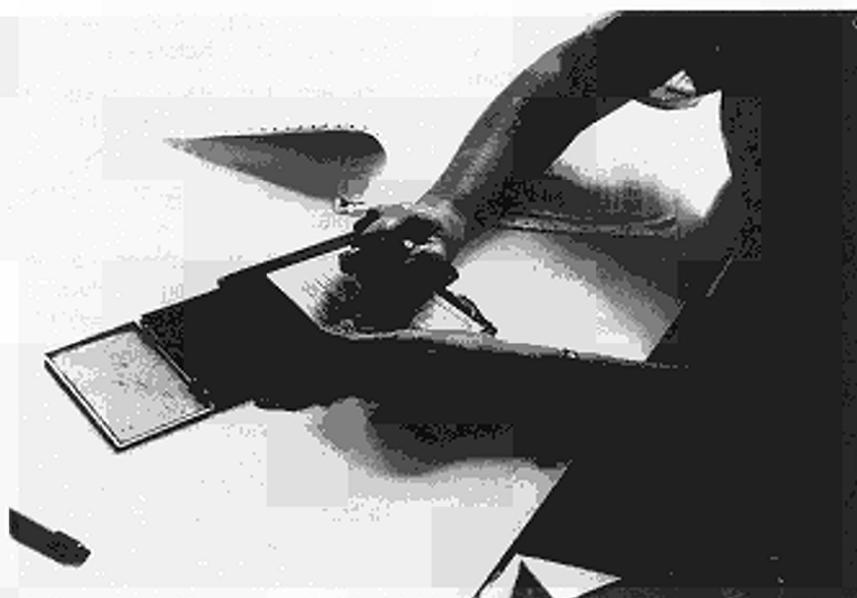
2. Improving the employment situation

The following specific measures are provided for by the law:

- (i) older workers will be able to participate in job creation measures (ABM) from the end of their 50th year instead of their 55th, as now;
- (ii) unemployed persons who are striving to become self-employed will, in the first three months of start-up, be able to safeguard against loss of income by means of a 'bridging allowance' (Überbrückungsgeld) at a rate equal to that of the unemployment benefit or assistance they were previously drawing. Various forms of gainful self-employment are increasingly becoming an alternative to continuing unemployment for the vocationally qualified unemployed;
- (iii) bringing down the rate of contributions to unemployment insurance will reduce indirect labour costs. This will lead to companies and workers having to pay DM 750 million less.

3. Preserving the social protection function

Since the middle of the 1970s unemployment has been persistent and at the beginning of the 1980s it rose steeply. This led to a clear increase in the average length of unemployment. Figures from September 1985 show that between 1975-84 the average length of unemployment had nearly doubled from 6 months to 11.6 months. These figures indicate that an increasing number of the unemployed persons receiving ben-



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efit are compelled to fully exhaust their claim to unemployment benefit, after which they are dependent upon unemployment assistance. Financed by the State, such assistance is not only lower but also means-tested.

The law will strengthen the function of unemployment insurance. It will improve the social situation of the older unemployed in particular who have generally belonged to an unemployment insurance for a long time during which they have paid contributions. At the same time the law will make improvements to unemployment assistance which are needed for reasons of social policy.

The most important regulations are as follows:

- (a) The maximum duration for which unemployment benefit can be claimed will be gradually increased for unemployed persons upon completion of their 44th year:
 - (i) from the completed 44th year, by up to 4 months to 16 months,

- (ii) from the completed 49th year, by up to 2 months to 20 months,
- (iii) from the completed 54th year, by up to 6 months to 24 months.

Grading the maximum duration of unemployment benefit is an appropriate way of preserving the social protective function of the unemployment insurance. It takes into consideration the fact that the average length of unemployment increases with age. Thus whereas in September 1985 the average length of unemployment for those aged between 45 and 49 years was 15 months and that of the 50 to 54 years' bracket was 16.5 months, for 20 year olds the figure was 4.6 months and for 20 to 24 years olds 7.9 months.

- (b) Upon completion of their 58th year, unemployed persons will be able to receive unemployment benefit or unemployment assistance without their having to be available for em-

ployment. The unemployed themselves have freedom of choice. This proposal relieves the older unemployed worker from psychological pressure and reduces the work load of the labour administration.

- (c) Certain amounts of the income of the claimant's spouse are exempted from being taken into account for the assessment of the unemployment assistance; these amounts have not been adjusted since 1969. From 1986 they will be raised by 50%. Thus, the basic exempted amount is raised from DM 75 to DM 115 per week and the supplement per child from DM 35 to DM 55 per week. From 1987 the basic exempted amount and the child supplement will be doubled to DM 150 and DM 70 per week respectively.
- (d) 1986 will see, particularly in market sectors where there is a great deal of part-time working, the coming into force of reductions in the working week. So as to enable the part-time workers, in particular women, to remain covered by the unemployment insurance, the short-time working limit will be reduced to the extent then required: from 20 to 19 hours.

Ireland: Government statement on pay

Ireland must improve its competitiveness in order to improve employment prospects. Labour costs are a significant factor in achieving this and on 14 August 1985 the Government issued a statement on pay policy.

The Government has identified six main factors which should be taken into account in any pay negotiations. These are based on the government's agreed pay objective that increases in average pay should not exceed the rate of increase in pay in competitor countries. They also recognise that while the basis for determining conditions of pay and employment should be free collective bargaining, regard should be had to the financial circumstances of the organiza-

tion involved and to the likely employment effects. The six factors are:

- (i) the expected rate of increase in earnings in competitor countries;
- (ii) the carry-over of increased earnings in 1985 from earlier pay settlements;
- (iii) the impact of proposed pay increases on existing employment and on new employment creation;
- (iv) the financial and trading circumstances of the individual firms;
- (v) the implications of proposed new pay agreements in 1985 for pay costs in 1986, particularly when pay increases in competitor countries in 1986 are unlikely to be greater than this year; and,
- (vi) in the case of public sector workers, the impact of pay settlements on the public finances.

The government considers that new pay increases for 1985 should not exceed 1 or 2% and that in many cases, no increase will be possible. As pay increases among competitors were unlikely to be greater in 1986 than in 1985, the government urged that this should be reflected in settlements affecting 1986. The government further considers that a regular exchange of views between management and employees on the financial constraints of individual firms is desirable so that employees are aware of the employment consequences of higher pay costs.

Within the public sector the government considers that all parties engaged in pay negotiations, etc., should take into account the essential need of restoring balance to the public finances. Even without further pay increases, the carry-over costs of the 24th Pay Round (1984) into 1986 and other costs will lead to a significant increase in the public service pay bill in 1986. The government has therefore concluded that there should be no increase in the public service for at least 12 months from the expiry date of the last Round except for those commitments under the government policy document 'Building on reality, 1985-87'.

For commercial State-sponsored bodies, most of which are under severe financial strain, the government also concludes that there is little or no scope for any pay increase for at least 12 months from the expiry dates of the 24th Round.

United Kingdom: Ministerial and organizational changes

Lord Young of Graffham was appointed Secretary of State for Employment in the Cabinet reshuffle of 2 September 1985. He had previously been Minister without Portfolio from September 1984, with a special remit to promote policies for the growth of enterprise and the creation of jobs.

Lord Young brought with him from the Cabinet Office the Enterprise Unit and the Deregulation Task Force that he had established there, now combined to form the Enterprise and Deregulation Unit (EDU). The Unit will continue the work set in hand during recent months to stimulate new enterprises and employment, in particular following up the proposals in the July 1985 White Paper, 'Lifting the burden'.

A new small firms and tourism division has also been established, responsibilities which previously rested with the Department of Trade and Industry. As far as small firms are concerned, the division's main responsibilities are: to keep their place in the economy under review; to act as a focal point where their needs can be seen as a whole; and to ensure that their interests are taken into account in forming government policy. In addition, the division will now be responsible for the enterprise allowance scheme. It will continue to develop and manage the small firms service which advises both existing businesses and people who wish to start up in business.

Responsibility for tourism has been transferred because it is also a significant potential source of new employment and enterprise. The division directs policy on domestic tourism, sponsors the British Tourist Authority, the

English Tourist Board and the hotel industry.

The department also takes on responsibility for coordinating the work of the city action teams (CATs) in certain inner urban areas.

Further ministerial changes included the appointment of Kenneth Clarke as Paymaster General. He will have responsibility, in consultation with the Secretary of State, for all employment issues but in particular for jobs strategy, industrial relations strategy and deregulation. He will act as spokesman on employment issues in the House of Commons. David Trippier, from the Department of Trade and Industry, is Parliamentary Under-Secretary of State with special responsibility for small firms, enterprise, deregulation, training and tourism. Alan Clark and Peter Bottomley remain as Parliamentary Under Secretaries, with the latter retaining his responsibility for European Community matters.

Employment maintenance

United Kingdom: The impact of unfair dismissal legislation: 1982 study

The law on unfair dismissals as it stood in 1978 was altered by Regulation in 1979 and by the Employment Act 1980. Changes were made in five main areas which included:

- (i) the extension of the period of continuous employment before an applicant could claim unfair dismissal from 26 to 52 weeks, and the reduction from two years or more to one year or more of fixed-term contracts in which agreed waiver clauses (whereby an employee agrees to

forego his/her rights to complain of unfair dismissal where the dismissal consists only of the contract's expiry without renewal) are valid;

- (ii) the creation of a qualifying period of two years' continuous employment before employees of small firms (i. e. where the number of employees does not exceed 20 in the period) can claim unfair dismissal.

Research to update existing knowledge about the impact of unfair dismissal legislation on employers, and in particular to monitor the 1979/80 changes was commissioned by the Department of Employment in 1982. The study covered 81 private sector companies and focused mainly on small firms (52 of the 81 companies had fewer than 50 employees) since important aspects of the 1979/80 changes were designed to assist this sector. All industries in the private sector were covered but because of the concentration on small firms, only a minority of the 81 companies recognised unions. The vast majority of firms (85%) had at some point in the past dismissed someone and nearly half had received at least one unfair dismissal claim.

Information was collected on the impact of legislation and changes in legislation on recruitment policies and procedures, probationary periods, methods of monitoring work performance, discipline and dismissal. Information was also collected on experience of and attitudes to the tribunal system. The main findings are as follows:

Recruitment

Six of the 81 firms gave legislation as a principal reason for not recruiting in greater numbers. In most firms lack of recruitment was explained by business factors such as lack of demand; unfair dismissal legislation appeared to have little effect.

There was no evidence that firms had adopted methods such as subcontracting, self-employment status, temporary workers or part-timers in a direct attempt to avoid unfair dismissal claims. These forms of employment were be-

coming increasingly common but had usually been adopted in response to business problems including uncertainty about the upturn in demand.

The study suggested, however, that legislation is one of the factors which have caused employers to exercise greater care over methods of selecting new recruits.

Discipline and dismissal

A general reluctance to dismiss because of the possibility of an unfair dismissal claim was reported by only 5 of the 81 firms. The majority of firms, however, reported that they took care when dismissing in order to make it 'legally safe' and guard against unfair dismissal claims.

Just over half of the 81 firms had a formal written discipline procedure, though this was true for less than one-third of the very small firms.

Unfair dismissal legislation and the existence of procedures had not imposed constraints on the normal day-to-day disciplining of employees. This was normally carried out in a very informal manner.

A significant proportion of small firms, however, said they did not adopt formal methods even when dismissing someone. There was some evidence that unfair dismissal claims against small firms were more likely to arise compared with large firms because of the manner of the dismissal and the feeling by the employee of 'lack of opportunity for redress'.

Unfair dismissal legislation

Nearly half the 81 firms, including all the large firms, had received an unfair dismissal claim at some point. Complaints against small firms occurred very infrequently: over half the firms employing fewer than 50 and more than three quarters of those with fewer than 20 had never experienced a claim.

Knowledge of the legislative provisions within small firms was limited and often inaccurate, whereas employers in large firms tended to be fully informed.



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Changes in unfair dismissal legislation 1985

The qualifying period before an employee can claim unfair dismissal has now been extended from one to two years, with effect from 1 June 1985. The rights of those employees who started work with an employer before that date are not affected.

This change will not affect complaints of dismissal because of membership or non-membership of a trade union for which no qualifying period of service is required. Nor will it affect complaints of dismissal on the grounds of race or sex discrimination which are covered by separate legislation and for which there is no qualifying period.

Unfair dismissal complaints account for about 75% of all complaints to industrial tribunals. About one in four of these complaints are by employees with less than two years' service.

Overall, 47% of managements had unfavourable attitudes to the tribunal system, 27% were favourable, with 26% indifferent.

The majority of employers perceived in a general sense that, compared with the past, the law and tribunal practice had recently shifted in their favour.

Small employers tended to be the most antagonistic to legislation, in particular where they personally had experienced a complaint.

None of the firms had relaxed their practices on recruitment or discipline in response to the recent changes.

Most of the 47% of employers who criticized the system did so because of the anticipated costs in terms of time and money, and very few for other aspects such as legalism.

Changes in unfair dismissal legislation 1979/80

Only a few employers knew in detail about the 1979/80 changes to the provisions. This was particularly so in small firms; for example, only half of the employers with fewer than 20 employees could accurately specify the length of service qualifying period appropriate to their company or the tribunal procedural changes. When told about the latter, slightly over half of the employers regarded the 1979/80 changes favourably, the rest being largely indifferent because they felt unaffected by them.



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Aid to the unemployed

Belgium: Easing the eligibility for unemployment insurance of young workers who have finished their studies

(Royal Decree of 15 July 1985)

Article 124 of the Royal Decree of 20 December, 1963 on employment and unemployment sets out the conditions which must be met in order to qualify for unemployment benefit: the worker has to complete a probationary period ('période de stage'), i.e. he/she has to prove that he/she was in employment prior to the onset of unemployment. The principle behind this is the concern to avoid abuses and to reserve the entitlement to unemployment benefit to persons who have proved beforehand, by their work and the payment of sufficient contributions, that they belong to the social group which the legislator intends to protect.

A worker is entitled to unemployment benefit if he can prove that he was employed for a certain number of days during a reference period prior to the claim for benefit. The number of days of work required as well as the reference period depend on the age of the claimant.

Given the scale of youth unemployment over the past few years, special provisions have been made as regards the entitlement to unemployment benefit of young persons who have finished their education or training.

As a departure from the principles set out above, these young people are entitled either to retaining pay ('allocation d'attente') or to unemployment benefit if they have been in gainful employment or have been registered as jobseekers for at least 75 or 150 working days depending on their age at the moment of claiming benefit.

Those who are not heads of household receive a flat rate retaining pay; as regards the application of social legislation they are nevertheless treated as equivalent to unemployed persons in receipt of benefit. Those who are heads of household receive unemployment benefits as such.

In both cases the following conditions must be met in order to qualify for benefit:

1. The claimant must have:

- (i) completed the full-time higher secondary education (irrespective of whether it has been general education, technical training or artistic training) or the lower secondary studies of technical or vocational training within an establishment organized, recognized or grant-aided by the State; or
- (ii) obtained, for the above studies, an end-of-studies diploma or a certificate from the central examination board; or
- (iii) completed an apprenticeship carried out in execution of an apprenticeship contract concluded under the auspices of an apprenticeship secretariat or within a centre, establishment or enterprise recognized for this purpose by the management committee of the National Employment Office (ONEm).

2. Entitlement to retaining pay or unemployment benefit also implies that the claimant is no longer carrying out full time studies (for instance higher studies) because all the activities imposed by the programme of studies have been completed (conceivably completing a training period before writing a dissertation) or because the person has himself put an end to the studies and is no longer carrying out an apprenticeship in the meaning outlined under 1 above.

3. After completing the studies or apprenticeship set out under 1 and 2

above, (or after having obtained for these studies an end-of-studies diploma or certificate from the central examination board) and before being entitled to claim benefit, the persons in question must have been in gainful employment or have been registered as jobseekers for at least the following number of working days:

- (i) 75, if, at the time of claiming, they have not reached the age of 18 years;
- (ii) 150, if, at the time of claiming, they are aged between 18 and 26 years;
- (iii) 300, if, at the time of claiming, they are aged from 26 to less than 30 years (according to the provisions which apply as regards entitlement to unemployment benefit by virtue of work already done).

As set out in 4 below, the age the claimant must not exceed has been raised from 26 to 30 years by Royal Decree of 15 July 1985. Consequently, there was the need to adapt accordingly the number of working days during which the persons in question have either been registered as jobseekers or have worked, this being included in the waiting period.

4. The claimant must be under 30 years of age at the time of claiming benefit (an easing brought in by Royal Decree of 15 July 1985).

This rule can be departed from, when the person in question has not been in the position to work as a wage-earner or to register in time as seeking work for the required number of days set out under 3 above, because of his being drafted or redrafted to military service or having accomplished any other service as a conscientious objector. In these cases the age limit is raised to that reached six months after completion of the military service draft or redraft or the service outlined above.

The same holds true when the person in question has not been able to

work as a wage-earner or to register in time as a jobseeker for the required number of days set out under 3 above for circumstances beyond the individual's control (*force majeure*) which have interrupted the studies or because he was tied by a contract of employment. Under these conditions the age limit is raised to that reached six months after finishing the studies interrupted for reasons of *force majeure* or six months after the end of the employment contract.

This last case has also been written into the text of Article 124 of the Royal Decree of 20 December 1963 by Royal Decree of 15 July 1985 with the aim of

avoiding penalizing young persons who accept an employment contract of short duration just before reaching the 30 years' age limit.

It should be pointed out that for applying the provisions of Article 124, holidays taken between two successive years of study are treated as equivalent to a period of study.

From the above it can be seen that, provided the age limit referred to is respected, the claim need not necessarily be made within a specific time period from the time of completing the studies or apprenticeship. Persons so wishing

can, for instance, spend the period following their studies or apprenticeship abroad rounding off their knowledge or can gain experience in setting up on their own while at the same time maintaining the possibility of claiming unemployment benefit or retaining pay at a later date in pursuance of Article 124.

Finally, the Decree of 15 July 1985 stipulates that voluntary prolongation of military service, the assignment to the service of civil protection or to other public utility tasks must bring about the exemption from the waiting period provided for by Article 124 of the Royal Decree of 20 December 1963.

Training

Belgium: Transition allowance for young people meeting the part-time educational requirement

One of the basic principles as regards Belgian unemployment regulations is that the unemployed person is entitled to unemployment benefit only after having been in gainful employment giving rise to social security (unemployment) contributions for a specified number of days.

Given the particularly worrying nature of youth unemployment, various measures have been taken over the past few years for young people who have completed their studies or apprenticeships and who are no longer subject to the part-time educational requirement. Thus, the basic principle outlined above has been departed from on behalf of young graduates: provided they meet specific conditions and they are no longer required to attend full or part-time education, they can claim unemployment benefit (if they are heads of households) or retaining pay ('allocations d'attente') (if they are not heads of households and living alone ('isolé') or living with a partner ('cohabitant'), without having been in gainful employment or without having paid social security contributions.

Still other measures have been taken for young people who meet the part-time educational requirement through undergoing part-time education or training.

It should be recalled that since the coming into force of the new law on compulsory schooling of 29 June 1983 on 1 September 1983, this educational requirement is split into:

- (i) compulsory full-time schooling until the age of 15 years. This consists of a minimum of seven years of primary school education and the first two years of secondary school education. It cannot be extended beyond the age of 16 years;

- (ii) compulsory part-time schooling until the age of 18 years. This consists of full-time secondary education, reduced time education or recognised training.

Transition allowances

Young people who have completed their full-time compulsory education are entitled to a transition allowance for the duration of their reduced time training (i.e. between their 15th birthday and at the latest their 18th birthday) if they fulfil the part-time educational requirement by undergoing part-time education or training recognized to meet that requirement — with the exception of the apprenticeship contract of the 'middle classes' or the industrial apprenticeship contract — or if they complete that education (of 360 or 240 hours per year) by taking up a vocational activity through signing either a part-time employment or traineeship contract.

The following persons qualify for the transition allowances:

- (a) Young people who:
 - (i) have completed technical or vocational lower secondary studies within a teaching establishment organized, recognized or grant-aided by the State; or
 - (ii) have obtained an end-of-studies certificate issued for this training by the central board of examiners; or
 - (iii) have completed an apprenticeship under an apprenticeship contract of the 'middle classes'.

After completion of these studies or apprenticeships or having obtained this certificate of studies and before having made an application for an allowance, these young people must:

- (i) either have been in gainful employment,
 - (ii) or have been registered as a reduced-time job-seeker,
- for a minimum of 150 half-days.

Furthermore, they must not have refused suitable work or a traineeship ('stage') as provided for in Royal Decree No 230 of 21 December, 1983 dealing with youth traineeships and vocational integration;

- (b) young people who have completed an industrial apprenticeship programme or an apprenticeship programme which was prematurely terminated for reasons beyond their control after an apprenticeship period of at least six months. These young people can draw transition allowances immediately.

But it should be pointed out that young people who have both completed their studies or apprenticeship as outlined above or who have not obtained a certificate from the central board of examiners can nevertheless claim a transition allowance provided they had been in gainful employment for at least 150 half-working days during the 10 months preceding their claim. When implementing what is said above, the only gainful employment which is taken into account is the one which meets the requirements of the regulations on unemployment.

Half-days during which — in order to meet the part-time educational requirements — the young people attend courses or undergo training, are considered as half-working days, if these half-days fall within a period during which the young persons are bound by an employment contract under part-time work regulations or by a part-time traineeship.

In order to be eligible for the allowance the young people have to be and remain registered as part-time jobseekers and remain available for the special part-time employment market.

If these conditions are met transition allowances are granted:

- (i) for the hours of normal inactivity. Hours spent in attending courses or undergoing training to meet the part-time educa-

tional requirement are considered as hours of normal inactivity;

- (ii) for the hours during which the young people attend courses or undergo training in order to meet their part-time educational requirement. (This is the case of young people attending reduced-time education and being already in receipt of transition allowances, who have accepted a short-time job in order to avoid unemployment.)

Young people who have a short-time job can claim transition allowances for the normal hours of inactivity on the sole condition that their average monthly salary/wage is less than the amount of the index-linked minimum means of existence for persons cohabiting, divided by 12.

Young persons meeting the above mentioned qualifying and eligibility requirements are entitled to transition allowances of a daily rate equal to that of retaining pay (see above). For young heads of households the rate of the transition allowances is equal to unemployment benefit.

Denmark: The Act on Adult Vocational Training Law No 273 of 6 June 1985

Since 1960, adult vocational training courses have been organized under the auspices of the Ministry of Labour for workers in manufacturing industries. These short courses have been targeted at specific industrial sectors with a view to ensuring the best possible adaptation of the skills of the labour force for the needs of trade and industry.

Today adult vocational training comprises courses for semi-skilled workers, advanced training courses for skilled workers, special retraining courses and introductory work experience courses.

Courses, 800 in all, are organized as a modular system. They can be orchestrated by the training institutions and the

local authorities in such a way that they will at any time satisfy local needs. The content of the individual training modules is fixed centrally in order to ensure general recognition of the courses on the labour market. Their general applicability ensures labour mobility which is very important in Denmark where the economy is characterized by small and medium-sized undertakings.

This adult vocational training system has been functioning well over the last 25 years, contributing to solving adaptation and conversion problems on the labour market. And in the years to come these courses are expected to play a central role in solving the many major tasks facing Danish society in times of economic recovery and technological change.

The main objective of the new Act No 273 of 6 June 1985 is to establish a modern legal basis for vocational training activities.

The rules and regulations concerning the various types of training have now been consolidated into a single statute and the training programmes — in particular those retraining skilled workers — which have so far been authorized through the annual finance acts, have now been codified.

The Act also contains new provisions under which training opportunities are introduced for example for supervisors and junior technicians. Further provisions concern activities paid for by the users. The Minister for Labour is now empowered to initiate training activities; this will facilitate untraditional experiments and opportunities for meeting specific needs which are difficult to fit into the more general qualifying training programmes.

Germany: More training places

Between October 1984 and August 1985 companies and administrations notified the employment offices of 464 900 vacancies for training places, 17 200 or 3.8% more than in the first 11 months of the previous vocational guid-

ance year. Yet, at the end of August there were nearly 5 000 more applicants than one year previously who had not yet found a place. Hence, the Federal Employment Institute urged that a final effort be made to provide additional training places.

In the first 11 months of the vocational guidance year, 643 900 applicants were seeking a training place through the employment offices. The increase was 1.6% less (9 900) than for places. The employment offices are informed of some two thirds of the training places available. On the other hand, more than four fifths of the applicants come through the labour administration.

At the end of August, 38 900 of the vocational training places had not been filled, 6 500 or 20.2% more than one year earlier. Overall, 134 300 applicants had not been placed. But some of these had already received a placement suggestion. Two thirds of the applicants not yet placed were girls. The Federal Employment Institute pointed out that experience shows that particularly in September, but also in the months immediately afterwards, a considerable number of applicants still sign training contracts.

What is needed above all are training places in occupations which are in particular demand by girls: the commercial, organizational, administrative and service occupations.

With the exception of Schleswig Holstein, the training place market looks better in the south than the north of Germany. In the south there are even some regions in which it is difficult to fill all the training places offered.

Italy: Programme on computer literacy

The Ministry of Labour has launched an initiative aimed at spreading basic knowledge of the use of computers in the world of work. Action is split up into several steps.

The first step should consist of two courses for 56 students aimed at trainers working in regional bodies. The

courses should enable them to acquire the basic knowledge of modern computers as well as notions pertaining to logic, history, technology and learning. Both laboratory and distance learning will be used. Students must hold a higher secondary school certificate or a lower secondary school certificate plus a certificate certifying attendance of vocational training courses.

The second step consists of a special vocational training programme which is innovative and experimental both as regards the contents as well as the methodology and the instruments used to provide workers with the basic computer knowledge which is essential for modern-day work to be carried out in the best possible conditions of effectiveness and efficiency. 58 courses will be run to cover 560 students.

The third step will consist of evaluation and the dissemination of the results.

The selected training packages will be made available to the regions so that they can be introduced in all vocational training courses.

The first two steps have already been completed and the results are currently being evaluated.

LIT 4 600 million have been allocated for training trainers and students, 50% of which will be borne by the Italian Government and 50% by the European Social Fund (promotion of special actions in favour of innovation according to Art. 3/2 of Council Decision 83/516).

Netherlands: Training school-leavers as computer personnel

The Ministries of Education and Science, of Social Affairs and Employment and of Economics in conjunction with trade and industry have developed a training project for school-leavers and unemployed young people. It is called the 'Instroomproject Schoolverlaters Informatiseringsberoepen (ISI)' — Intake project for school-leavers to be trained as computer personnel. ISI's objective

is to train these categories of young people in two computer professions: micro-computer assistant and applications' programmer.

Research has shown that over the coming years there will be a need for some 15 000 such trained people. The training measure, which will consist of about 5 months' theoretical learning and 5 months' practical on-the-job training is aimed at some 5 000 school-leavers per year. The training programme will thus bridge the gap between the large needs of trade and industry and the huge pool of unemployed school-leavers. ISI relies on the cooperation of many enterprises and institutions.

The aim is to have an equal intake of boys and girls. The scheme will be run on a temporary basis, initially for three years. After that, the regular apprenticeship system in this field should be able to take over satisfactorily.

United Kingdom: Non-advanced further education

As part of the government's aim to try and ensure that the country's vocational education and training system is more closely related to labour market needs, the Manpower Services Commission has been given important new responsibilities for funding a proportion of the work-related non-advanced further education provision in colleges, from 1985/86, in England and Wales. This will involve the Commission working in partnership with the local education authorities. New arrangements for implementing the initiative for 1986/87, which will be reviewed after one year, involve the Commission agreeing to and approving a Local Education Authority three-year development plan.

It should be noted that non-advanced further education comprises the provision offered by local education authorities through colleges of further education at qualification levels below degree, higher diploma, higher certificate and professional courses of equivalent level. Courses are both for young peo-

ple and adults. The 'work-related' provision excludes academic study in non-technical subjects.

Job creation

Denmark: The Act on employment opportunities for young persons

— Law No 273 of 6 June 1985

The Act on employment opportunities for young persons empowers municipal and county authorities to launch, with a State subsidy, employment projects for young unemployed persons under the age of 25 years who have been unemployed for at least 3 months.

Employment projects

The fight against youth unemployment has in recent years demonstrated that both central government institutions and various other organizations have contributed to giving young persons a chance of becoming employed. Hence, the Act makes it possible for public benefit organizations to continue participating in activities to assist young persons. The government also intends to ensure that, in as far as possible, the projects should be implemented by private organizations. But in most cases, it will not be possible for private organizations to take the initiative for subsidized projects. As previously, participants in the projects may undergo training for up to three months and have practical work experience.

As regards the various schemes and measures to assist young persons, the intention is that the subsidies should be adapted to each other, with due consideration taken of the individual schemes. As regards employment measures, this is done by fixing the subsidy at the same amount — DKR 35 per hour — for employment projects, wage subsidies and job offers. However, in connection

with financing the projects, the subsidy may in certain cases amount to 120% of the actual wage costs.

Finally, it will no longer be possible under the new Act to produce goods for sale, given the many problems of distorting competition which have been raised.

Wage subsidies

The Act also contains rules about wage subsidies. For the government wishes to maintain the possibility of fighting youth unemployment through wage subsidies. Authority to grant municipal wage subsidies to private employers who employ young persons is transferred to the Act on job opportunities for young persons which came into operation on 1 January 1986.

There will be no changes in the content of the rules compared with the existing scheme — for this is well-known and has been functioning without problems.

Administrative consequences

The Act means that there will be a considerable reduction in the work responsibilities of the public employment service compared with the work of administering the job creation scheme. There will, however, be a need for special information activities as the new Act comes into operation.

Germany: Testing the scope for local employment policy

The Minister for Labour and Social Affairs has commissioned a well-known research institute to undertake a study of 'Scope for local employment policy: design, implementation and accompaniment of an experiment'. The aim is to gain information on the possibilities and limits of a local approach to labour market and employment policy through local case studies and an experiment carried out in a local employment office catchment area.

The case studies should clarify the following questions: How can cooperation of the actors on the local labour market contribute to improve the situation of the unemployed and reduce unemployment? These 'actors' are understood as the labour administration, educational and training bodies, economic organizations, employers' organizations, trade unions, initiatives of the unemployed associations for voluntary social work, communities, churches and financial institutions. Questions such as the following will be tackled:

- (i) How do company start-ups and job creation develop at the local level?
- (ii) How, on the other hand, do company close-downs and bankruptcies develop?
- (iii) Which actors on the local labour market were brought in and when? Which ones work (or do not work) together?
- (iv) How can such cooperation be improved?
- (v) What services in particular should be improved so as to: increase the number of company start-ups; keep the negative impacts on employment and labour market policy from bankruptcies and compositions as low as possible?

The starting point is the belief that cooperation among the actors on the local labour market can often be improved. This should be exemplified in an experiment within the catchment area of one employment office. The project should also include local initiatives for job creation and initiatives of the unemployed themselves.

In a third step the knowledge obtained should be disseminated through workshops to the actors on the local or regional labour markets, thereby stimulating further initiatives for cooperation.

A project advisory committee of representatives of the various actors on the local labour market has been established to follow the scientific development and the implementation of the experiment within one community. This should ensure that the evaluation and

transfer of the experiment should not — as has often been the case — fail because of the friction between the actors on the local labour market and their only partially successful cooperation.

The experiment started at the beginning of 1985 and detailed results are expected at the end of 1986.

Italy: State jobs for the unemployed

— Law No 444 of 22 August 1985

Law No 444/85 brings in measures aimed at supporting employment by facilitating the integration into the labour market of workers who have been temporarily laid off and currently fall within the CIG (Earnings Supplement Fund) system and of the unemployed who have been on the unemployed register for more than six months.

The law authorizes State administrations, autonomous bodies and local authorities to fill available vacancies in their organization with workers from enterprises operation in specific regions such as in Liguria, Lombardy, Piedmont and Sardinia, who at that moment are in receipt of benefit from the CIG. 4 435 jobs will be provided in this way.

The workers concerned must be no older than 45 years and must also meet all the recruitment requirements for public employment. They must make their request for employment at the regional employment office, specifying their qualifications and the category chosen. The employment office compiles lists containing the ranking of the candidates based on the length of their unemployment and their state of need. Before being integrated into the State administration, the workers selected must, however, undergo retraining courses, lasting at least three months, organized by the administration concerned.

The law also authorizes State administrations, autonomous bodies and local authorities, especially in the Mezzogiorno, to arrange competitive examinations to fill vacancies in specific skills,

job categories or vocations in certain specified areas. Simplified recruitment procedures are provided for. For the purpose of the ranking in public examinations, having been unemployed for at least six months, as registered on the appropriate placement list, constitutes a priority. In total it will be possible to recruit 21 837 such workers.

Netherlands: Continuation of the 'plough back' scheme

In December 1983 the Cabinet decided on an experimental programme called the 'plough back' scheme. This aimed at using 'saved' unemployed benefit money to finance employment projects in building.

The scheme works as follows: by having a certain number of the unemployed back in work, the government 'saves' the unemployment benefits they would normally receive. To these savings the government makes available a sum and then persuades third parties to put up money for specific investment projects.

Under the first scheme, which is now being prolonged, to the money saved — HFL 250 million — the government added HFL 100 million and persuaded various project promoters (municipalities, house building corporations and individuals) to make available HFL 650 million. Thus, by an investment of HFL 100 million of public funds, government provided 8 500 man/years of work on additional projects of urban renewal, restoring monuments, improving or building police stations, theatres and sports facilities as well as enhancing transport facilities.

Projects financed under the 'plough back' scheme have to adhere to strict conditions:

- (i) the projects must be additional, i. e. they would not have been undertaken were it not for the additional finance;
- (ii) there must be no falsifying competition;

(iii) the projects must be not lead to regular workers being displaced from their jobs;

(iv) 70% of the manpower employed in each project must be long-term unemployed persons.

The unemployed who are brought in on these projects are given a work contract for the duration of the project, i. e. they have a normal legal status with a normal wage based on a collective agreement. By being employed in these projects the workers also acquire new entitlement to unemployment benefit. As regards legal status, there is a fundamental difference between people employed in 'plough back' projects and those who work whilst retaining unemployment benefit: the latter continue to be entitled to benefit but — except for certain tax allowances — do not get higher income; nor is there any question of these persons acquiring new entitlement to unemployment benefit through undertaking voluntary work.

Although the first programme did not create as many jobs as was hoped, it has proved sufficiently worthwhile as an employment measure to be continued. The selection criteria for projects will be sharpened up and a time limit will be set for completing the projects.

Projects considered for the new programme will have to strengthen local structures, which explains why money — another HFL 100 million — has been allocated from regional social economic policy funds.

United Kingdom: Wages councils and wage fixing

The origins of the present wages council system lie in the Trade Boards Act 1909. Wages councils are currently governed by the Wages Councils Act 1979. Statutorily independent of government, they are made up of equal numbers of representatives of employers and employees and up to three independent members, one of whom acts as chairman. Councils are empowered to fix remuneration, holidays and holiday pay and other terms and conditions of

employment. In practice, they have limited themselves to fixing pay including overtime and other premia, holidays and holiday pay. There are now 26 wages councils covering approximately 1/4 million employers and 2.15 million employees operating mainly in service trades — retailing, catering and hairdressing being the largest examples. Their orders are statutorily enforceable. There is a wages inspectorate to monitor compliance.

In recent years wages councils have come under increasing criticism that the rates they set inhibit employment opportunities and that the complexity of the wages orders issued by councils impose unnecessary administrative burden on employers, especially small employers. Because of this criticism HM Government issued a Consultative Paper on Wages Councils in March 1985, arguing that change was essential and setting out two options: total abolition or radical reform. It also proposed, subject to consultation in conformity with ILO rules, to deratify International Labour Convention 26 on minimum wage-fixing machinery because it lacked flexibility and restricted the government's freedom of action.

792 responses were received from both interested organizations and individuals. Whilst both the TUC and individual trade unions called for retention and strengthening of the system, employer opinion was divided. Analysis showed that most employer organizations and individual employers favoured reform along the lines set out in the Consultative Paper.

In view of its overriding concern to increase employment opportunities and reduce administrative burdens on businesses and in the light of the response to consultation and other evidence of the effects of wages councils, the government announced on 17 July its intention to introduce legislation in the 1985/86 session of Parliament, to:

- (i) remove young people under 21 from coverage by wages councils (an estimated 500 000 — 20% — of the wages council workforce);

- (ii) limit wages council powers to setting a single adult minimum rate and a single overtime rate;
- (iii) streamline mechanisms for abolishing or varying scope of councils.

It also announced that ILO Convention 26 was to be deratified. (Notice of this was given to ILO on 25 July 1985; deratification becomes effective on 26 July 1986).

Special categories of workers

Belgium: Rule on workers' rights after takeover etc.

In the case of change of employer, the workers' rights are regulated by the provisions of the Collective Agreement (CCT) No 32bis concluded in the 'Conseil national de travail' (National Labour Council) on 7 June 1985 and by those of the law of 12 April 1985 concerning a transition compensation ('indemnité de transition').

Collective agreement No 32bis

CCT 32bis takes up and adds to the original CCT 32 which was made legally binding by Royal Decree of April 1978. It thus consists of two parts:

- (i) The regulations governing the workers' rights in case of a 'conventional' company transfer, i.e. in cases where the legal status of the company changes: formation of a company, transfer, merger or takeover.

In such cases the CCT asserts that the rights and obligations of the assignor (the former employer), as they result from an employment contract which exists at the moment of transfer, have to be maintained and will be automatically transferred

to the assignee (new employer) who is under the obligation of taking them over. This means that the work performance (i.e. the nature of the work carried out by the individual worker, the conditions of employment and the salary/wages) are not affected by the transfer and the change of employer.

This agreement furthermore provides that the change of employer is not in itself a reason for dismissal on the part of the assignor or the assignee who nevertheless conserve the right to dismiss a member of the workforce for serious misdemeanour or for economic, technical or organizational reasons. However, certain workers are not protected in this way: persons undergoing a probationary period; workers who have been dismissed because of approaching retirement age; and those who have been taken on under a student contract.

- (ii) Special provisions concern the rights of the workers who have been taken over by a new employer in the case of a company being taken over after a bankruptcy or composition by a yielding up of assets. These new provisions constitute the original part of CCT 32bis.

This agreement applies to workers who, on the date of the bankruptcy or of the composition, are still bound by a contract of employment or an apprenticeship contract and also to workers who were dismissed during the month preceding the date of the bankruptcy or composition, provided they are entitled to severance pay which has not been paid to them by that date. This agreement applies at the moment that the assets are taken over, extended by a period of six months.

In these cases the employer-to-be is free to choose the workers he takes over.

On the other hand, there is the obligation to maintain working conditions which were in practice at the former employer's and which

stemmed from previously concluded collective agreements. These conditions can, however, be the subject of renegotiations between the employer-to-be and the representatives of the workers concerned. In case of failure of this renegotiation, the previous conditions will be maintained.

The law of 12 April 1985 entrusts the Compensation Fund for Redundant Workers in the case of company closure with the payment of a transition compensation. This law applies to corporate takeovers which take place not later than six months following the date of the bankruptcy or composition by a yielding up of assets. Workers taken over in this way can, under certain conditions, receive a transition compensation for the period of time during which there is a break in their employment. This compensation enables workers to maintain their income at the level they were receiving at the time of the break. The maximum monthly amount cannot exceed BFR 75 000 per worker.

Germany: Parental leave and allowance

The Federal Government has passed a law bringing in an allowance for parents to take leave to bring up their children (termed here 'parental leave' and 'parental allowance'). This is part of a DM 10 000 million 'family package' of measures the government has brought in on family policy.

The other new measures of government in this area concern: years for raising children being taken into account in the statutory pensions insurance; tax allowances for children; child allowance supplement; reintroduction of child allowance for unemployed young people; and the establishment of a foundation 'Mother and child — protection of the unborn child'.

The introduction of a parental allowance makes it possible or easier for one of the parents to devote himself/herself to raising and educating a child during the first phase of the child's life which is

decisive for his/her later development. Both mothers and fathers will be given more freedom to choose between working in the family and gainful employment.

Bringing in the parental allowance and parental leave can considerably relieve the labour market. According to the estimates of the Federal Government on which its medium term financial plan is based, some 300 000 working women and men could take up the parental leave in 1986. If, to replace them, employers conclude 300 000 fixed term contracts, the labour market will be relieved of this number of workers. There are sufficient numbers of workers willing to sign such contracts. Since previous experience with maternity allowances' leave shows that 50% of the women who took maternity leave did not return to their old job, 50% of the fixed term contract replacements could be given a lasting job.

Specific provisions of the new law

From 1 January 1988 a parental allowance of DM 600 per month will be paid for a full year (for 10 months from 1 January 1986).

Unlike the present maternity leave allowance, all mothers will receive the parental allowance, not only those who are employed but also housewives, which means also those employees who gave up their employment at the time of an earlier birth, and the self-employed.

Mothers or fathers can claim parental allowance and parental leave, as can adoptive and step parents who look after and bring up their child themselves. This also holds true for foster parents who look after a child as well as for grandparents who have custody of their grandchildren.

Dismissal is prohibited during parental leave. Only in special cases can the highest provincial (*Land*) authorities in charge of labour protection (or the body they designate) authorize a dismissal, and this only exceptionally. This ruling has been in force for some years as regards the first two months after the birth; during this time the particular

needs of the mother for protection required an absolute ban on employment. This regulation is now being extended to cover the whole period of the parental leave so that, in the future, a uniform ruling will apply from the beginning of the maternity protection to the end of the parental leave. This single solution also means that in future mothers and fathers will have the same protection against dismissal during the parental leave.

An administrative order of the Federal Minister for Labour and Social Affairs which requires the agreement of the second chamber (Bundesrat) will set out the special cases in which dismissal will, exceptionally, be declared admissible. Such cases would concern, for instance, corporate closures or departmental closures when transfer is not possible. There can be a special case for a small firm when, for its continuation, replacement staff is indispensable but those who would agree to sign a fixed term employment contract cannot be found.

A novel feature is that part-time work up to less than 20 hours in the same company should be possible from the third month on. In many cases, particularly in smaller firms, this will facilitate bridging the parental leave. Thus can mothers and fathers in such cases maintain contact with the firm.

The law explicitly facilitates fixed term contracts to be signed with replacement staff. This provision is independent of the Employment Promotion Act and not limited in time, so that it is applicable beyond the duration of fixed term contracts as provided for in the Employment Promotion Act.

Persons taking parental leave must apply for it one month before it starts and must commit themselves as to its length.

The parental allowance is not taken into account for social benefits such as social assistance and rent rebate; it is granted in addition to these benefits. Nor is it as a rule taken into account towards the entitlement to maintenance.

In the first six months the parental allowance will, just like the maternity leave

allowance so far, be paid irrespective of income. As from the seventh month, a sliding income scale will be applied. Overall, from then on some 40% of the claimants will receive the full parental allowance of DM 600, whereas a further 40% will receive a reduced allowance according to the applicable income scale. Some 20% will receive no allowance at all because of the amount of their income, but they can still claim parental leave. The calculation of the parental allowance from the seventh month on is based on the net income of the last but one year, although obviously previous earned income of the parent who will not be in gainful employment during the parental leave, will not be taken into account. If current income is lower than that of the previous year, the claimant can request that the calculation be based on current income.

Anyone who has been a member of the statutory health insurance scheme before the birth of the child will remain insured without having to pay contributions for the time of receiving the parental allowance. This covers their complete health insurance protection. Persons who have previously been members of a private health insurance scheme because their income exceeded the compulsory insurance limits can remain in the private health insurance during the parental leave even if they work part-time in the authorized limits and their income is thus below the compulsory insurance limits.

Persons in receipt of a parental allowance remain fully covered by the unemployment insurance scheme during the period of drawing the benefit.

As regards the statutory pensions insurance, coverage is maintained through recognition of a parental leave year, to be paid by the Federal Government.

The costs of the parental allowance will also be borne by the Federal Government. In the first year, 1986, they will amount to DM 1 500 million, rising to DM 2 800 million in 1989.

Just like the child allowance, the parental allowance should be paid by the

Federal Employment Institute. Its administrative costs thereby incurred, which are to be reimbursed by the Federal Government, will amount to some DM 35 million. This represents only 1.25% of the total 1989 parental allowance of DM 2 800 million.

The fear that parental leave and the associated protection against dismissal could become a barrier to employing young women are refuted by the experiences of maternity leave and, above all, by experiences of neighbouring countries. Thus in Austria there has been a one year's leave of absence with a guarantee of reemployment. There, the rate of female employment is, according to an OECD study, 38.7% whereas in Germany the figure is 38.2% (1982 figures). In France parental leave — also linked with a guarantee of reemployment — lasts 2 years and for part-time work even 3 years. The OECD study quotes the rate of female employment there as 38.6%. In Sweden, mothers and fathers can have a parental leave of 18 months since 1981. There the female employment rate is 46.2%, having risen significantly since 1977 (43.7%).

Ireland: Building on experience programme

The building on experience programme proposed in the Government's National Plan is now in operation. This scheme is aimed at persons between the ages of 25 and 44 who are unemployed for more than one year and in receipt of unemployment assistance. Its basic aim is to expand the range of occupational options available to the long-term unemployed.

The programme consists of alternating periods of formal training with periods of relevant practical job training in a work environment. The training programme is of 6 months duration and is divided into 4 months off-the-job training and 2 one month practical job training periods. The period in the work environment provides participants with experience of work which they will not have had for over a year. The programme also helps the long-term unem-

ployed by restoring self-confidence, developing initiative and job-finding skills; it encourages trainees to examine alternative occupational options which include self-employment, cooperative ventures, and community service; and it enables them to use a period of unemployment constructively.

The programme is administered by AnCo and the aim is to give 2 500 persons a six month training programme in the first full year of operation. AnCo pays standard training allowances to the trainees.

Placement

France: Evaluating GIDE

Within the framework of its computerization programme, ANPE has set up jointly with the body managing the unemployment insurance system (Unedic) a computerized system for managing applications for employment (GIDE system).

Initiated in December 1983, the programme will be completed in December 1985 with the installation of 2 000 terminals in the 680 local agencies (averaging three per agency).

This system enables the jobseeker to be registered in real time as well as the application for employment to be up-dated (the jobseeker states once a month, by correspondence, that he/she is still looking for a job). His/her application is then 'validated'.

A report published in July 1985 concludes that all the aims pursued by the system have been achieved, i.e. doing away with the unemployed person having to sign on personally (previously the jobseeker had to report to his local agency or the town hall to sign on), reducing administrative burdens and increasing the reliability of the information on file.

Furthermore, the system has introduced a 'computer culture' in the agencies.

The renegotiation of the agreement linking ANPE and Unedic concerning the renewal of the system was scheduled in December 1985. Various improvements will be sought: ANPE wishes in particular to have the file enlarged. At present it contains only administrative information on the jobseeker whereas ANPE would like to have additional information on a score of items which could be used for operational purposes: initial training, job experience, special services provided by ANPE, etc. Such information would enable the GIDE system to provide the transition to the GIDE 2 system, currently in the experimental stage, and which is progressively being put in over the whole country.

Short notes

Netherlands Social consequences of new technologies

The government has invited the social partners to set up advisory centres for technological change. Their purpose would be to provide workers and their representatives with specialist support on technological innovation so that they will be able to discuss developments authoritatively with the employers. The advisory centres could be modelled on the German 'Innovationsberatungsstellen' (innovation advisory agencies). It has become clear that sound advice given by such institutions leads to fruitful talks on the introduction of new technology between corporate management and the works council.

United Kingdom

1. Replan is a new programme of help for unemployed adults which aims to:

- (i) develop and improve educational opportunities for unemployed adults by giving them new skills and knowledge;

- (ii) help those who provide education by identifying and publicizing the most effective ways and means of meeting the educational needs of unemployed people;
- (iii) encourage closer collaboration between various providing agencies.

A network of full-time officers has been appointed by the National Institute for Adult Continuing Education (Niace). These officers hope to raise awareness about the effect that unemployment can have on some people such as the retreat into the home or a resistance to education or retraining as a means of self-improvement.

2. Adoption grants of up to UKL 2 250 are to be made available to employers who take on redundant appren-

tices between 1 April 1985 and 31 March 1986 for the remainder of their apprenticeships/training periods.

The Construction Industry Training Board (CITB) will pay the grants on behalf of the Manpower Services Commission. Grants will be available to employers whether or not in scope to CITB, but not local authorities or the other public sector employers.

3. Following the success of three experimental self-help centres for long-term unemployed people, known as Jobclubs, a nationwide network is to be set up, expanding to 200 by the end of 1986.

Jobclubs provide free facilities including telephones, typewriters, photocopying and stationery, plus expert advice on jobhunting techniques, for those out of work for more than six months.

'Members' are given a short introductory course to receive advice and to improve the way in which they present themselves as job applicants to employers. They are expected then to commit themselves to attending on four mornings each week. They may remain in the Jobclub until they find work.

The Jobclubs launched normally use available Jobcentre space from which to work and their stationery and equipment costs are met from within existing budgets. Their costs and effectiveness have been compared with other ways that are used to help the longer-term unemployed, with encouraging results. Of the people who have so far left the Jobclubs, around three-quarters have found jobs, the majority within a relatively short space of time.

New technologies and social change: overview of recent events in the Community countries

Introduction

I Government R&D policies

II The attitudes of the two sides of industry towards new technologies

- 1 Employers
- 2 Trade unions
- 3 Collective agreements and labour disputes

III Studies and research on the social effects of new technologies

- 1 Spread of information technologies
- 2 Employment
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In 1985, no major government programme in the field of information technology has been initiated in the Member States.¹ Most national programmes continue, and in many countries the provisional results of ongoing programmes have been assessed. The main conclusions of this assessment exercise are briefly reviewed in the first section. The following pages deal more specifically with the positions of the two sides of industry, and with studies and research results on the social effects of information technology.

I Government R&D policies

In the United Kingdom, the Alvey project² continues, having allocated some UKL 113 million of the UKL 200 million totally available. On the other hand, the 'support for innovation scheme' of the Department of Trade and Industry, which had been affected by a moratorium on funds in November 1984, was resumed in April 1985, with a new emphasis in support of advisory services, collaborative research and encouragement for best practice rather than on providing money for projects of individual companies.

In France, the Ministry of Research and Technology presented a first assessment of R&D policy in the period 1982-85. Compared with the initial objective to raise R&D expenditure to 2.5% of GDP, the actual achievement has been 2.25% of GDP in 1985, less than the target, but still a significant improvement over the 1.85% of GDP in 1980.³ The new research plan presented by the government, covering the period 1986-88, focuses on industrial research, research-related employment (putting forward the expectation of 1 400 new jobs per year in the next three years), and on the assessment of the different ongoing programmes.

In Germany, a comprehensive evaluation of the special programme on the application of microelectronics ('Anwen-

dung der Mikroelektronik') was presented by the VDI-Technologiezentrum Berlin. The report concludes that the industry has well received the indirect specific support: 3 115 applications have been submitted and 2 430 have been accepted. The programme has directly concerned 1 740 enterprises, and the number rises to about 5 000 when considering subcontracting arrangements. Most of the projects supported were of small and medium-sized firms; 36% of them had not used microelectronics before.⁴

In Italy, the assessment concerned the 'finalized research projects' of the National Research Council (CNR). Most projects were started in 1982-83, and should be completed by 1987; meanwhile, new projects will be set up. Overall, significant results have been obtained, particularly in fields such as robotics and other advanced engineering technology. One of the projects approaching completion is that on information technologies ('Progetto finalizzato informatica'), which specifically dealt with: system architecture and prototypes for information transmission networks; models and software for the computerization of the public sector; methods and systems for the control of industrial processes.⁵

NB Prepared by the Commission on the basis of information provided by the Epos network of correspondents on new information technologies, which comprises the following experts: P. M. Boulanger (B); A. J. Hingel (DK); J. Reese (D); M. Nikolinakos (GR); B. Quelin (F); M. E. J. O'Kelly (IRL); P. Piacentini (I); C. Rottlander-Meijer (NL); T. Brady (UK). Coordinator for the Commission; A. S. Piergrossi.

¹ The reference period of this survey is January-August 1985. As the contributions have been prepared before the enlargement of the Community, the survey does not include contributions from Spain and Portugal. Information on these two countries will be provided in forthcoming issues.

² For earlier information on ongoing programmes, see the previous issues of *Social Europe*.

³ *Recherche-Technologie*, Lettre de MRT, No 2-3, March 1985.

⁴ *Computerwoche*, 14 June, 1985.

⁵ For the first results, see Assinform, *Rapporto sulla situazione informatica in Italia 1985*.

In Denmark, the 'Technological development programme', launched in January 1985, has met with considerable enthusiasm: 700 applications were received by the Agency of Technology during the first six months. Of these, 500 have been decided upon, and 300 have been accepted. About 30% of the applications come from enterprises having less than 50 employees. However, it should be taken into account that companies with less than 50 employees make up 75% of the Danish industrial sector; consequently, a major awareness effort is necessary if small firms are to be fully involved in the programme.

II The attitudes of the two sides of industry towards new technologies

1. Employers

German employers have stated their positive attitude towards the impact of information technology in a hearing of the Committee for Research and Technology of the German Bundestag. On that occasion, the representative of the trade associations (Bundesverband der Deutschen Industrie, BDI) stated that labour market problems would be even more serious without the increase in productivity generated by information technology. Economic growth is expected particularly in services linked to industrial production. More investment, improved infrastructure, and an efficient education system are considered a prerequisite for such a development.¹

The Danish employers' organization DA has carried out since 1983 a programme called 'Renewal from within' (Fornyelse Indefra), aimed at increasing productivity and raising awareness in industrial companies. The programme,

based on courses and an awareness campaign, and diversified in order to meet the needs of both large and small companies, is considered a success, in so far as 20–30% of the participants managed to obtain immediate productivity improvements in their own companies. In the framework of these awareness activities a project has been recently launched concerning CAD/CAM, aimed at spreading the knowledge of practical uses of CAD/CAM in companies. This qualifies as a demonstration project under the 'Technological development programme'.²

Awareness programmes are planned by employers' organizations also in the Netherlands. The Christian employers' association (NCW) plans to start a nationwide campaign, for companies to get a clearer idea of the practical uses of telecommunications and new technology. The national organization of transport companies (NOB Wegtransport), has created an information system on Viditel,³ to be used by its members. Finally, the federation of bookshops (NBB: Nederlandse Boekverkoopersbond) started a programme to support automation in bookshops.

In Greece, software companies have created their own professional association, the 'Hellenic Computer Services Association'. One of its main purposes is to campaign to be entitled to investment incentives by the government, in particular those granted to high technology products and services.

Back in Denmark, the Employers' Organization in the Iron Industry, JA, is planning a conference for September 1986, with the participation of the Ministries of Industry and Education, and of representatives from research and educational institutions. The aim of the conference is to improve coordination between the various public research and development programmes, and between industry and higher education institutions. The former implies coordination of the promotional schemes of the Ministry of Education and of the Ministry of Industry. On the second issue, employers are satisfied with the increasing number of students in technical and

scientific education, but are concerned about the actual running of the courses and about falling financial allocations to research and education. They propose more flexible employment for teachers (including part-time and temporary appointments) and in-firm training stages.

Problems with education and training have also been put forward by the Federation of Belgian Employers (Fédération des Entreprises de Belgique), in a report on vocational training, very critical towards the lack of adaptation of the training system to new technologies. According to the report, the school system has not taken into consideration the changes in qualifications made necessary by new technologies. Some changes are, however, taking place in the educational system: the Ministry of Education (Flemish part of the country) has decided to introduce some basic education in information technology in the secondary schools and has obtained BFR 940 million to be spent on equipment over five years. The parallel programme for the French-speaking part of the country to make information technology a compulsory school subject is not yet operational. The employers are also critical towards the vocational training system. They ask to be more involved, through 'mixed work and training' programmes and through 'apprenticeship contracts'. They equally ask that vocational training programmes for adults be more specifically oriented towards labour market needs, and to the needs created by the introduction of new technologies.

Finally, according to the Confederation of British Industries (CBI), UK workers are becoming more flexible and adapting better to changes in working conditions and practices. A report published by CBI in July 1985 — 'Managing change' — shows how managers throughout the UK are operating more flexible workforces and are using tem-

¹ *Computerwoche*, 31 May, 1985.

² *PS produktiviteit*, No 3, June 1985.

³ Dutch Videotex System, which permits the transmission of text and data via an interactive communication system.



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porary and part-time workers to cope with peaks of activity either on a daily basis, or with cyclical peaks and troughs in demand throughout the year. Manufacturing firms are increasingly turning to contracting-out as a means of keeping costs down.

2. Trade unions

The positions of German trade unions was again clearly stated, confirming previous declarations, by the Deutsche Gewerkschaftsbund (DGB) at a conference on work and technology. The union position is not *a priori* critical towards the development and application of information technology; on the contrary, the union demands higher economic growth, which will also imply more extended use of technology. How-

ever, the union insists that individual and social needs should not be overlooked.

At sectoral level, the vice president of IG Metall expressed in a conference paper some doubts about the alleged technological gap between Germany on the one hand, and the USA and Japan on the other hand. He pointed out that the 13.5 million job increase in the USA between 1974 and 1982 was largely based on low-qualification jobs, and was accompanied by growing poverty. Rather than following the American model, the vice president of IG Metall proposes a coordinated strategy of R&D policy, economic policy, education, labour and social policy, and the launching of programmes like environment protection, social housing, urban infrastructure. This strategy would require

social consensus, both at the level of industrial relations within the enterprises, and at societal level. This strategy would help to solve the unemployment problem which, according to a poll, has become a matter of concern for 80% of metal workers, as opposed to 40% five years ago.¹

On a similar line, the Belgian Confederation of Christian Trade Unions (Confédération des Syndicats Chrétiens) has presented a memorandum to the government, stating as priorities for the next four years: an increase in employment levels based on renewed economic growth; a demand-pull econ-

¹ *Frankfurter Rundschau*, 10 July 1985.

omy similar to that which prevailed in Europe between 1948 and 1964. Only in these conditions, according to the union, are new technologies likely to create jobs. The document stresses the need to pursue, among the societal objectives for the next ten years, the maximum exploitation of new technology potential; the right to continuing training; the reduction of working time.¹

The Dutch Christian national trade union (CNV) has recently published a note for its members, called 'Working with automation'. In the note, the CNV states that automation is inevitable, but warns about its negative consequences, particularly affecting specific groups of workers, such as the young, women and workers with traditional skills. The union believes that it would be pointless to try and stop modernization; it consequently puts forward a number of practical suggestions to its members on how to control automation projects.²

Following long and harsh discussions on the reform of the system of wage indexation, Italian unions have defined a common line of action and have drawn up a common platform, in July 1985, on the reduction of working time and on the reform of wage indexation. The platform demands a 90-hour reduction in working time throughout the year, to be attained by the end of the presently negotiated collective agreements (i.e. over a three-year period). The reduction of working time is considered particularly urgent in all cases where labour-saving effects are produced by technical innovation or by plant reorganization, and in cases where working conditions are particularly arduous. The trade unions are ready to discuss means of increasing the utilization of productive capacity and productivity, so that the higher cost of shorter working hours can be financed. An agreement is, however, far from being reached, due to the uncompromising attitude of the employers, particularly in the engineering sector. Nevertheless, some partial agreements at local level have been reached, finding satisfactory solutions to the issue of working time reduction, in exchange for flexibility or productivity clauses.

The Danish Semi-skilled Workers Union has decided to computerize its own offices. 200 micro computers have been purchased (from Regnecentralen, the Danish ITT subsidiary), to be distributed to local offices. They are going to be used to improve the exchange of information with the central trade union files, as well as for office automation purposes. The organization of computer staff, Prosa (which is not part of the LO organization), is for its part concerned about the low salaries of computer staff in the public sector. According to Prosa, the very low salary level is responsible for the significant turnover of employees (20% of computer programmers, for example, have left the Danish Statistical Office).

3. Collective agreements and labour disputes

In Italy, the management of Italtel (the major manufacturer of telecommunications equipment) and the trade unions reached an agreement in July 1985, which is so far the most significant case of 'solidarity contract'. From September, 14 500 workers at Italtel plants in northern and southern Italy work a 35-hour week, implying a 3½ hour reduction from previous working time. The wages are cut correspondingly; however, the workers receive compensation for up to 50% of the foregone earnings from the Wage Supplement Fund ('Cassa Integrazione'). The agreement should allow the reintegration, in 1985 and 1986, of 1 810 workers previously laid off; for other redundant workers (about 700), alternative employment plans or incentive retirement schemes will be available. The agreement was not welcomed by a large number of Italtel workers: at an internal ballot, 57% of the workers at the major plant in the Milan area voted against it. It was also criticized by some commentators as being a satisfactory agreement for the two parties, at the expense of public finance; the two parties defended it, by arguing that the cost would not have been lower if redundant workers had to be paid unemployment or 'Cassa Integrazione' benefits for a long period.

In Denmark, while at national level the Employers' Organization DA and the trade unions (LO) are negotiating new cooperation and technology agreements (previous agreements had been denounced by LO in 1984 and have been temporarily extended, pending the discussion on the new ones), a number of disputes on technological issues broke out in specific sectors. One concerns the brewery workers, a traditional craft increasingly threatened by the disappearance of jobs. After the frame agreement signed in 1980 to regulate the manning of new production systems, the number of brewery workers has kept declining (from 4 500 to 3 500), and the employers stated that only about 2 000 will be employed in 1990. This development is mainly due to the introduction of more efficient technology: in order to give a rough idea, each worker in the fully modern Fredericia breweries in Jutland produces 5 000 to 6 000 hl, while average production per man in the old Copenhagen breweries is 1 300 hl (the latter however also produce some special types of drinks). For the renegotiation of the frame agreement, the employers demanded a further reduction in employment of 1 035 over the next five years, while the unions were ready to accept 800. The two-month strike which ensued (May-July 1985) ended with no noticeable result.

Another new technology dispute broke out at the central computer center of the municipalities (Kommunedata). It was on salary increases for white collar workers, the government offering 2% per year, and the union (HK) demanding 10% over two years. A compromise solution was found, by cutting the contributions to the pensions fund, but only with one union (HK) out of the two that represent computer staff (the other is Prosa), so that the dispute was not ended.

¹ Projets de priorité pour le prochain gouvernement, *Syndicaliste CSC*, No 245, 25 August 1985.

² *Working with automation* (Aan de slag met automatisering), CNV, 1985.

A number of disputes keep on affecting the printing industry in various countries.

In the United Kingdom, the dispute between the National Graphical Association (NGA) and the National Union of Journalists (NUJ) over direct-inputting at provincial newspapers has continued throughout the summer. Journalists at the Wolverhampton Express and Star, long affected by such disputes, began 'single-keying' (direct-inputting by journalists into the computer) in April 1985; numerous NGA members were suspended for refusing to accept the agreement; and the NGA was variously fined for breaking an injunction not to disrupt the production.

A similar dispute over plans to introduce 'single-keying' at the Portsmouth News, ended with an agreement in July, in which the NGA agreed to the principle of direct-inputting by journalists. One interesting aspect of this case, from the point of view of the British industrial relations pattern, is that NGA will keep negotiating rights for the NGA members transferred to journalistic duties under a new technology agreement.

Meanwhile (in April 1985), another long dispute, concerning the introduction of new technology in Post Offices, has been settled by an agreement, allowing for the quicker introduction of new technology into sorting offices, the compulsory extension of the productivity scheme, and the increased use of part-time labour.

The printing industry is subject to industrial disputes also in Ireland. The Irish Press Group intermitted publications from May 18 to August 12 1985, as a result of a dispute between unions and management on the issues of layoffs due to new technology (the introduction of digitizers, digital typesetting etc.), and of extra payments to the production staff for assimilating the new methods.

An interesting dispute, on an issue which is likely to become increasingly widespread, occurred at Opel, in the Federal Republic of Germany. Opel decided to set up an independent enterprise, Electronic Data Systems (EDS), to

take over its internal EDP (electronic data processing) services, and to develop new services to be sold on the market. The reorganization concerned 600 employees, mostly information technology specialists, who accepted a new contract in the new firm. The union IG Metall, however, took the case to court, on the grounds that the externalization of EDP services to a company where unions have less influence, is going to weaken co-determination rights at Opel AG. For the first time, the courts have to decide whether the externalization of a firm's division as an autonomous enterprise is legally allowed.¹

initiated by the Federal Government. Active marketing would also be necessary.²

On the general diffusion of information technology, a survey carried out (in Germany) on the attitude of the 'man in the street' found that 8% of the interviewed persons between 20 and 50 years of age have a computer at their work place.

This corresponds to 11% of all professional active people. 5% of the interviewed persons already have a computer at home, and another 2% intend to buy one within one year. A problem emerging from the survey is the lack of information and knowledge, stated in 55% of the answers, which hampers a quicker spread.³

An unsatisfactory degree of diffusion was found also by a marketing study on videotex, presented in June 1985 by Diebold Deutschland GmbH. The study was commissioned by the German *Bundespost*, concerned about the fact that the subscriptions to videotex are far behind the expectations. In April 1985, there were 25 457 subscribers; Diebold forecasts that their number (including firms and households) will rise to 2.8 million by 1990. To ease the acceptance of the communication system the *Bundespost* is installing 100 videotex terminals in post offices.

In the United Kingdom, a study commissioned by the Scottish Development Agency estimates the UK market for information systems to be currently worth USD 4 500 million, rising to USD 6 750 million by 1988. Much of this growth will come from increased sales of peripherals for home and personal computers.

The Office of Population Census Surveys (OPCS) (UK) which runs the general household survey has published the information that 9% of UK households had a home computer available for their own use in 1984.

III Studies and research on social effects of new technologies

1. Spread of information technologies

A study of a data bank service (Bertelsmann Datenbankdienste) and the organization of the first data bank fair in the Federal Republic of Germany have directed the attention of the interested public to the development, installation and use of data banks. Large data banks for natural sciences and for technology have been implemented with large public support (about DM 1 000 million). However, only about 3% of all data banks in the world (estimated at 2 400, of which 76% are in the USA) are located in Germany. The Federal Republic of Germany is lacking these services particularly in the field of economics. Moreover, they are not widely used: the number of customers is only about 1 000. The reason for the limited offer and use of data banks is attributed to the low degree of correspondence to market demand of the data banks in-

¹ *Frankfurter Rundschau*, 26 April 1985.

² *Chip* No 5, May 1985.

³ *Chip* No 2, February 1985.



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In the same country, a survey conducted in 1984 by the Royal College of Practitioners has found that one third of general practitioners have access to a computer in their practices. A further 29% were planning to install a computer in the near future. The most popular uses are age and sex registers of patients and repeat prescriptions, followed by word processing.

Finally, a survey of 2 000 British small businesses showed that one in six owned a microcomputer by the end of 1984. Apparently the average number of micros owned by each firm is now two, with the main applications being book-keeping, financial modelling and word processing.

As concerns the diffusion of information technology in local administration,

the association of French mayors has carried out an enquiry on the computerization of communes ('Informatique Communale'). At the beginning of 1985, 2 000 communes were found to be equipped with computers, and 4 000 contracted out some computing work. Most systems (52%) are installed in towns with more than 5 000 inhabitants. Computers are mostly used for accounting and, in larger communes, for payrolls. Data bases are, on the contrary, not very common.¹

With regard to the entire public administration, a white paper produced by the Italian State Procurement Agency (Proveditorato Generale dello Stato) updates the figures of computer equipment in use in the public sector and gives a detailed break-down of the state

of diffusion of new information technologies in the various branches of the administration. In the ministries and all other public agencies, including research units and universities, 365 large computers and 2 627 medium-sized computers were in operation at the end of 1984. The number of small 'personal' computers is negligible (361), indicating that the era of office automation has not yet begun in most public offices. More than half of the computers in use were more than four years old; and two thirds of them were installed on a rental or leasing basis. Beside the limited diffusion, an additional problem emerging from this survey is the high degree of depen-

¹ 01. Hebdo No 854, 20 May 1985.

dence on software houses and other professional services (and the high cost involved), attributable to the inability to pay market salaries to skilled operators, given the rigid pay structure of the civil service.¹

2. Employment

Two comprehensive studies on employment have recently been completed in the Federal Republic of Germany. The first study, commissioned by the Federal Ministry of Research and Technology, is a review of earlier analyses of the employment effects of new information technologies. It arrives at the conclusion that the analyses of technological impacts on the labour market present negative results particularly in the following cases: when they focus on large enterprises; when they examine direct effects in the short run; when they focus on the implementation of new technologies in processes with a high degree of standardization. The negative employment trends between 1973 and 1980 depended, according to the authors, on structural economic effects, i.e. on decreasing demand, rather than on technology. Positive employment effects were recorded in research and education, office services, management and 'other services'; while negative impacts manifested themselves in office activities not using EDP, transport, assembling, and trade in textiles and food.²

The second study is an analysis and prognosis of the future development of the labour market in Germany, commissioned by the Bundesanstalt für Arbeit. The conclusions of this study are totally divergent from those of the study mentioned above. It forecasts a dramatic loss of jobs in manufacturing and repair activities, and further negative employment effects due to the introduction of new technologies in storage, transport and distribution. Assuming a 2.5% average growth rate, the study forecasts the loss of 1.25 million jobs in production and maintenance between 1980 and 1990, and a further loss of 655 000 jobs to the year 2000. In the office sector, the authors calculate a decrease of nearly half a million jobs. Some activities will

experience employment growth, and these are the same identified by the previous study, i.e. research and development, managerial jobs, and services such as teaching, care, etc. that are typically public services. The State will thus have an important responsibility for job creation.³

An optimistic outlook on the relationship between technological change and employment emerges from a Danish study of the Social Research Institute (Socialforskningsinstituttet). Employment trends in Denmark have in fact markedly improved since 1983: despite all forecasts, full-time employment has increased by about 100 000 (i.e. by 5%). Moreover, all employment growth took place in the private sector, reversing the negative trend which had started in 1965. The study explains positive employment trends by analysing the indirect effects of new technologies: although the direct impact, when new technologies are introduced, is negative, their indirect impact operates through decreasing product prices due to lower costs, rising profits and increasing wages. These factors determine higher real incomes and thus increasing levels of demand, production and employment. The 1983 turning point depended, according to the authors, on the sharp increase in investment which then took place.⁴

Going back to a less optimistic outlook, Dutch research on employment growth in computer manufacturing concludes that the expectations of the job creation potential of this branch are far too high. The 2 700 companies that produce hardware or software in the Netherlands, and employ some 150 000 persons, have experienced a decline in the rate of employment growth in the past few years, after the peak in 1979-80, when employment in this sector doubled.⁵

3. Women's employment

A working conference on 'computerization, women and work', was held in Riva del Sole (Italy); it was organized by the Working Groups on Computers and

Society of the International Federation for Information Processing (IFIP). Participants were researchers, computer professionals, political and trade union representatives, secretaries, etc. The main conclusions of the conference concerned: the importance of making women more aware of, and more assertive about their qualifications; the opportunities offered by distance work, especially telecommuting; the need for a professional and social network for women in the EDP field, nationally and internationally.⁶

4. Qualifications

A recent issue of the French review *Echanges et projets* examines the 'myth of new professions'. It observes that very often new jobs are nothing more than a transfer of activities from one branch or sector to another, or the combination of traditionally heterogeneous tasks. According to this analysis, firms should acknowledge 'collective qualifications', pertaining to a team of workers, while individual skills and experience should be given more weight, even if they do not correspond to formal educational qualifications.⁷

¹ 'Il burocrate e il computer', in *La Repubblica*, 21 August, 1985.

² Institut für Sozialforschung und Gesellschaftspolitik eV, and G. Ronning, Universität Konstanz (eds), *Arbeitsmarktwirkungen moderner Technologien* (2 volumes), April 1985.

³ Prognos AG, Basel, and Institut für Arbeitsmarkt- und Berufsforschung, Nürnberg, *Arbeitsmarktbericht 2000*, 1985.

⁴ Carsten Koch and Henning Bjerregard Bach, *Teknologisk Arbejdsloshed. Jobsøgning, Arbejdsloshedsundersøgelse 5*, Socialforskningsinstituttet Publikation No 133, Copenhagen, 1984.

⁵ 'Te hoge verwachtingen van groei werkgelegenheid computersector' (Expectations of growth of employment too high), *Financieel Dagblad*, 5 September, 1985.

⁶ *IFIP Newsletter*, vol. 2, No 3, September 1985. The proceedings of the conference are being published as: A. Olerup, L. Schneider, E. Monod (eds.), *Computerization, Women and Work*, Amsterdam, North Holland, forthcoming.

⁷ 'L'enjeu de la qualification', *Echanges et projets*, No 42, June 1985.

5. Work organization and working conditions

In Belgium, the Fondation Travail-Université has prepared a manual for trade unions and workers, aimed at providing a synthesis of workers' rights in the process of computerization; it includes an analysis of work organization, particularly with regard to banks and retail trade. The authors conclude that there is no necessary tendency towards taylorism in office work: office automation and telematics can be combined with different organizational patterns, such as multi-functional posts. However, the tendency towards centralization remains strong, and the idea that organizational choices should be discussed and negotiated is coming through very slowly. As far as qualifications are concerned, the authors identify a shift from traditional qualifications, which implied the ability to accomplish well-defined tasks, to a concept of qualification as the capacity to compare and handle diversified information.¹

Two surveys can be mentioned on specific issues. The first, commissioned by Manpower — a large temporary employment agency in the United Kingdom

— found that over 80% of office workers are dissatisfied with their computers. 600 people were interviewed, including managers and secretaries. Over half the secretaries claimed they needed more and better training. 89% of the respondents had to share a computer with a colleague or a secretary.

On the issue of working conditions on video display units, a new booklet produced by the French Institut national de recherche et de sécurité (INRS), for the attention of doctors dealing with computer staff, remarks that VDUs have substantially modified working conditions, without any previous training or information for a large number of workers concerned. The lack of consideration of working conditions, prior to the introduction of VDUs, explains many of the complaints that have been raised. INRS concludes that many practical problems have now been solved; workers, however, may still refuse to work with VDUs, because they have difficulties in adapting to the software and to artificial intelligence.

Finally, on the broad issue of social implications of new technology, it can be mentioned that a new journal has

been launched in Belgium, named *Journal de Réflexion sur l'informatique*. The first issue contains a description and evaluation of research carried out in Belgium on social implications of information technology. This analysis points out that: the information market is very concentrated and not well known to political decision makers; the public debate is unsatisfactory; research projects lack coordination. Most research work focuses on qualitative aspects, and on the tertiary sector, rather than on industry. Quantitative studies on employment make up a small part of the research carried out in Belgium; moreover, the methodologies used are non-homogeneous, so that results can hardly be compared and assessed. Overall, the lack of common methodologies and of a paradigm do not allow 'information technology and society' to be considered as a new scientific discipline.²

¹ L. Moens, G. Valenduc, *La guide des informatisés*, Fondation Travail Université, mimeo.

² J. Berleur, C. Lobet-Maris, G. Valenduc, 'La recherche informatique et société en Belgique', *Journal de Réflexion sur l'informatique*, No 0, November 1985.

Part Four

Statistical information

- I — Population
- II — Education
- III — Employment
- IV — Unemployment
- V — Industrial relations —
Working conditions
- VI — Incomes, wages, labour costs
- VII — Standard of living
- VIII — Social protection

I. Population

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10	
1. Total population												
(a) 1 000 — annual average on 30 June												
1960	9 119	4 581	55 433	8 327	45 684	2 832	50 198	315	11 487	52 373	240 348	
1970	9 638	4 929	60 651	8 793	50 772	2 950	53 661	340	13 039	55 632	260 404	
1980	9 847	5 123	61 566	9 643	53 880	3 401	56 416	365	14 150	56 314	270 705	
1981	9 852	5 122	61 682	9 729	54 182	3 443	56 502	366	14 247	56 379	271 504	
1982	9 856	5 118	61 638	9 789	54 480	3 483	56 639	366	14 313	56 335	272 017	
1983	9 855	5 114	61 423	9 850	54 729	3 508	56 836	366	14 367	56 377	272 425	
1984	9 855	5 112	61 175	9 896	54 947	3 535	57 005	366	14 424	56 488	272 803	
(b) Average annual increase as %												
1960/70	0.6	0.7	0.9	0.5	1.1	0.4	0.7	0.8	1.3	0.6	0.8	
1970/80	0.2	0.4	0.1	0.9	0.6	1.4	0.6	0.7	0.8	0.0	0.4	
1980/81	0.1	0.0	0.2	0.9	0.6	1.2	0.2	0.1	0.7	0.1	0.3	
1981/82	0.0	-0.1	-0.1	0.6	0.5	1.2	0.2	0.0	0.5	0.1	0.2	
1982/83	0.0	-0.1	-0.3	0.6	0.5	0.7	0.3	0.0	0.4	0.1	0.1	
1983/84	0.0	0.0	-0.4	0.5	0.4	0.8	0.3	0.0	0.4	0.2	0.1	
(c) By age groups (end of the year) as %												
0-14 years	1960	23.7	24.9	21.6	26.1	26.5	31.1	24.5	21.4	30.0	23.3	24.3
	1970	23.6	23.1	23.1	24.6	24.7	31.2	24.4	22.0	27.2	24.0	24.2
	1980	20.0	20.6	17.8	22.5	22.3	30.4	21.7	18.6	22.1	20.8	20.8
	1983	19.3	19.0	15.9	21.5	21.6	29.8	20.2	17.6	20.4	19.6	19.5
15-64 years	1960	64.3	64.4	67.5	65.8	61.9	57.7	66.0	67.8	61.0	65.0	64.9
	1970	63.0	64.5	63.6	64.3	62.4	57.7	65.0	65.4	62.6	63.2	63.4
	1980	65.6	64.9	66.7	64.3	63.9	58.9	64.7	67.8	66.4	64.2	65.0
	1983	67.1	66.1	69.5	65.3	65.5	59.7	67.0	69.2	67.8	65.4	66.8
65 years and over	1960	12.0	10.7	10.9	8.1	11.6	11.2	9.5	10.8	9.0	11.7	10.8
	1970	13.4	12.4	13.3	11.1	12.9	11.1	10.6	12.6	10.2	12.8	12.4
	1980	14.4	14.5	15.5	13.2	13.8	10.7	13.5	13.6	11.6	15.0	14.2
	1983	13.7	14.9	14.6	13.3	12.9	10.6	12.8	13.2	11.9	14.9	13.7
2. Components of population changes												
(a) Birth rate (live births per 1 000 inhabitants)												
1960	17.0	16.6	17.4	18.9	17.9	21.5	18.1	15.9	20.8	17.5	18.0	
1970	14.8	14.4	13.4	16.5	16.8	21.8	16.8	13.0	18.3	16.2	15.9	
1980	12.6	11.2	10.1	15.4	14.9	21.8	11.2	11.4	12.8	13.4	12.6	
1981	12.6	10.4	10.1	14.5	14.9	21.0	11.0	12.1	12.5	13.0	12.4	
1982	12.2	10.3	10.1	14.0	14.6	20.4	10.9	11.8	12.0	12.8	12.2	
1983	11.9	9.9	9.7	13.5	13.7	19.0	10.6	11.4	11.8	12.8	11.8	
1984	11.8	10.1	9.5	12.7	13.8	18.2	10.3	11.5	12.1	12.9	11.7	
(b) Death rate (deaths per 1 000 inhabitants)												
1960	12.5	9.5	11.6	7.3	11.4	11.5	9.4	11.8	7.6	11.5	10.8	
1970	12.3	9.8	12.1	8.4	10.7	11.4	9.6	12.2	8.4	11.8	10.9	
1980	11.5	10.9	11.6	9.1	10.2	9.8	9.7	11.3	8.1	11.7	10.7	
1981	11.4	11.0	11.7	8.9	10.2	9.6	9.6	11.2	8.1	11.7	10.6	
1982	11.1	10.8	11.6	8.8	10.0	9.4	9.4	11.3	8.2	11.8	10.5	
1983	11.6	11.2	11.7	9.2	10.2	9.3	9.9	11.3	8.2	11.7	10.7	
1984	11.5	11.2	11.3	8.9	9.8	9.1	9.3	11.1	8.3	11.4	10.4	

I. Population — continued

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
	2. Components of population changes										
	(c) Net migration (per 1 000 inhabitants)										
1960	+0.5	+0.7	+6.1	-3.7	+3.1	-14.8	-1.9	+1.7	-1.1	+2.1	+1.7
1970	+0.4	+2.4	+9.2	-5.3	+3.5	- 1.2	-0.9	+3.1	+2.6	-0.5	+2.6
1980	-0.3	+0.1	+5.1	+5.2	+0.8	- 0.2	+0.2	+3.7	+3.7	-0.9	+1.5
1981	-0.8	-0.4	+2.5	+0.7	+1.1	+ 0.1	-0.3	+0.8	+1.2	-0.3	+0.7
1982	-0.5	-0.0	-1.2	+0.8	+0.7	- 2.7	+2.1	-0.1	+0.2	-0.9	+0.1
1983	-0.8	+0.3	-1.9	+0.9	+0.3	- 2.1	+2.6	+0.6	+0.4	+0.1	+0.2
1984	-0.0	+0.8	-2.4	+1.0	+0.3	- 3.6	+1.6	-0.1	+0.6	+0.9	+0.1

Source: 'Demographic statistics, 1986' Eurostat.

II. Education

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
	1. Compulsory education										
	(a) Minimum age										
1960	6	7	6	7	6	6	6	6	6	5	5-7
1970	6	7	6	7	6	6	6	6	6	5	5-7
1980/82	6	7	6	5 ^{1/2} -6	6	6	6	6	6	5	5-7
1983/85	6	7	6	5 ^{1/2} -6	6	6	6	6	6	5	5-7
	(b) School-leaving age										
1960	14	14	14	13	14	14	14	15	14	15	13-15
1970	14	14	14/15	13	16	14	14	15	14	15	13-16
1980/82	14	16	15	14 ^{1/2} -15	16	15	14	15	15/16	16	14-16
1983/85	16/18 ¹	16	15	14 ^{1/2} -15	16	15	14	15	15/16	16	14-18
	2. Numbers of pupils ² and students										
	(a) 1 000										
1960/61	1 503	.	7 222	.	8 469	.	6 961	40	2 303	.	.
1970/71	1 902	930	9 866	1 560	10 183	634	9 449	54	2 711	10 515	47 804
1980/81	1 904	1 040	10 912	1 764	11 059	773	10 829	53	3 105	10 928	52 367
1981/82	1 887	1 037	10 742	1 798	11 246	785	10 698	53	3 070	10 713	52 029
1982/83	1 867	1 039	10 466	...	11 136	796	10 597	52	3 041	10 475	51 265
1983/84	...	...	10 094	...	10 892	803	10 453	...	3 106	10 166	...
	(b) Pupils and students as % of the population										
1960/61	16.4	.	12.9	.	18.4	.	13.8	12.7	19.9	.	.
1970/71	19.7	18.8	16.2	17.7	20.0	21.4	17.6	15.7	20.7	19.0	18.3
1980/81	19.3	20.3	17.7	18.2	20.6	22.5	19.2	14.6	21.8	19.4	19.3
1982/83	18.9	20.3	17.0	...	20.4	22.7	18.7	14.1	21.2	18.6	18.8
1983/84	...	...	16.5	...	19.9	22.8	18.4	...	21.6	18.0	...
	(c) Pupils and students by level of education as %										
<i>First level</i>											
1965/66	57.5	49.3	45.6	.	60.3	72.6	56.9	.	60.1	56.9	55.8 ⁴
1970/71	54.8	48.9	41.4	58.9	50.5	63.0	52.2	60.1	56.3	55.6	51.0
1980/81	45.1	41.8	26.4	51.2	44.4	55.7	41.1	51.0	46.0	45.4	40.7
1983/84	43.5 ⁵	41.6 ⁵	24.2	49.7 ⁶	40.6	53.4	38.9	48.5 ⁵	42.0	42.5	38.4 ³
<i>Second level</i>											
1965/66	37.6	44.1	47.9	.	35.2	24.1	38.0	.	35.0	39.7	39.4 ⁴
1970/71	38.6	41.0	51.8	35.6	41.9	32.9	40.6	39.0	37.2	40.0	42.5
1980/81	44.6	47.9	62.6	42.0	46.3	38.9	49.3	47.4	45.0	49.7	50.7
1983/84	45.4 ⁵	47.7 ⁵	61.4	43.3 ⁶	49.1	40.4	51.0	49.7 ⁵	48.1	51.7	51.9 ³
<i>Third level</i>											
1965/66	4.9	6.7	6.5	.	4.5	3.3	5.1	.	4.9	3.3	4.8 ⁴
1970/71	6.6	10.1	6.8	5.5	7.5	4.1	7.3	0.9	6.5	4.3	6.5
1980/81	10.3	10.2	11.0	6.8	9.2	5.4	9.6	1.6	9.0	4.9	8.6
1983/84	11.1 ⁵	10.7 ⁵	14.4	6.9 ⁶	10.3	6.2	10.1	1.8 ⁵	9.9	5.7	9.7 ³

¹ From 1984: at least participation in part-time education.

² Excluding nursery schools.

³ Estimates Eurostat.

⁴ Excluding Greece and Luxembourg.

⁵ 1982/83

⁶ 1981/82

Source: Eurostat.

III. Employment

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
1. Working population											
(a) 1 000 — annual average											
1960	3 598	2 085*	26 517	3 601	19 792	1 118	22 042	133*	4 232*	24 508	107 626*
1970	3 824	2 380	26 817	3 430*	21 415	1 118	20 886	140	4 795*	25 308	110 113*
1980	4 156	2 662	27 191	3 636	23 387	1 247	22 553	159	5 386	26 819	117 196
1981	4 173	2 671	27 373	3 863*	23 532	1 272	22 820	160	5 563	26 718	118 145*
1982	4 197	2 694	27 465	3 892*	23 753	1 296	22 927	160	5 642	26 663	118 689*
1983	4 213	2 728	27 486	3 993*	23 690	1 309	23 185	160	5 717	26 577	119 058*
1984	4 214	2 779*	27 439	3 996*	23 830	1 314	23 415	161	5 794	27 002	119 944
(b) Activity rates (working population as % of total population)											
1960	39.5	45.5*	47.7	43.2*	43.3	39.5	44.4	42.2*	36.8*	46.8	44.6
1970	39.7	48.3	44.2	39.0*	42.2	37.9	38.9	41.3	36.8	45.5	42.3*
1980	42.2	52.0	44.2	37.7*	43.4	36.7	40.0	43.6	38.1	47.6	43.3
1981	42.4	52.2	44.4	39.7*	43.4	36.9	40.4	43.8	39.0	47.4	43.5*
1982	42.6	52.6	44.6	39.8*	43.6	37.2	40.5	43.8	39.4	47.3	43.6*
1983	42.7	53.3	44.7	40.6*	43.3	37.3	40.8	43.8	39.8	47.1	43.7*
1984	42.8	54.4*	44.9	40.4*	43.4	37.2	41.1	44.0	40.2	47.8	44.0*
2. Employment											
(a) Total employment (1 000) — annual average											
1960	3 481	2 054*	26 246	3 514	19 553	1 055	20 827	132*	4 182*	24 182	105 226*
1970	3 698	2 363	26 668	3 294*	20 905	1 053	19 775	140	4 708*	24 753	107 357*
1980	3 797	2 489	26 302	3 541	21 916	1 156	20 869	158	5 077	25 306	110 611
1981	3 721	2 455	26 101	3 714*	21 803	1 146	20 925	159	5 179	24 323	109 526*
1982	3 670	2 461	25 632	3 676*	21 834	1 148	20 875	158	5 118	23 894	108 466*
1983	3 632	2 476	25 228	3 693*	21 729	1 125	20 921	158	5 041	23 593	107 596*
1984	3 635	2 532*	25 174	3 685*	21 511	1 110	21 025	158	5 044	23 972	107 846*
(b) Female employment as % of total employment											
1960	30.4	29.8*	37.1	34.0*	32.7*	26.3*	30.1	25.2*	22.0*	32.8	33.0*
1970	31.9	38.6	35.9	26.4*	34.3	26.7	27.5	26.0*	25.7*	35.8	33.2*
1980	35.1	44.0	37.4	28.1*	38.4	28.8	31.3	30.8	30.0	39.8	36.3
1981	35.6	44.9	37.6	29.8*	38.7	29.4	31.5	32.4	31.2	40.1	36.6*
1982	36.1	44.9	37.8	29.2*	39.1	30.1	31.7	32.2	32.0	40.5	36.9*
1983	36.5	45.6	37.9	31.0*	39.6	30.8	31.9	32.8	32.9	40.9	37.3*
1984	37.0	45.6	38.0	31.5*	40.1	30.5	32.1	33.4	33.6	41.4	37.7*
(c) Total employment by sectors as %											
<i>Agriculture, fishery</i>											
1960	8.6	17.6*	13.6	57*	21.4	37.0	31.7	16.6*	11.2*	4.7*	18.2*
1970	4.7	11.3	8.5	38.8*	13.2	26.9	19.6	9.3	6.1*	3.2	11.2*
1980	2.9	8.0	5.5	28.7*	8.5	18.1	13.9	5.4	4.8	2.6	7.8*
1984	2.9	8.1*	5.4	27.9*	7.7	16.4	11.5	4.4*	4.9	2.6	7.3*
<i>Industry</i>											
1960	46.3	35.6*	47.7	18*	37.4	23.5	33.0	44.8*	41.0*	46.3*	41.0*
1970	41.6	37.1	48.4	23.8*	38.1	29.6	38.4	43.9	38.1*	44.1	41.7*
1980	33.6	28.6	43.3	28.7*	34.9	32.1	36.9	37.9	30.8	37.3	37.2*
1984	29.8	26.5*	40.7	26.4*	32.1	28.8	33.5	34.9*	26.5	32.5	33.8*
<i>Services</i>											
1960	45.1	46.8*	38.7	25*	41.2	39.5	35.3	38.6*	47.8*	49.0*	40.8*
1970	53.7	51.7	43.1	37.4*	48.7	43.5	42.0	46.6	55.7*	52.7	47.1*
1980	63.4	63.4	51.3	42.6*	56.6	49.8	49.2	56.5	64.4	60.2	55.0*
1984	67.3	65.4*	53.8	45.6*	60.2	54.8	55.0	60.6*	68.6	64.9	58.9*

* Estimates.

Source: Eurostat.

III. Employment — continued

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
3. Employees in employment											
(a) Total (1 000) — annual average											
1960	2 579	1 580*	20 256	1 130*	13 844	643	12 252	95*	3 296*	22 417	78 092*
1970	3 004	1 885	22 246	1 500*	16 518	725	13 368	113	4 045*	22 851	86 260*
1980	3 174	2 097	22 986	1 853	18 321	874	15 055	137	4 471	23 295	92 263
1981	3 100	2 084	22 846	1 884*	18 249	877	15 059	139	4 540	22 204	90 981*
1982	3 050	2 106	22 395	1 899*	18 335	876	15 050	139	4 496	21 724	90 069*
1983	3 006	2 099	22 003	1 882*	18 297	850	14 931	138	4 438	21 372	89 016*
1984	2 997	2 162	21 945	1 903*	18 145	839	14 855	139	4 444	21 478	88 907*
(b) As % of total employment											
1960	74.1	76.9*	77.2	32.2*	70.8	61.0	58.8	71.4*	78.8*	92.7	74.2*
1970	81.2	79.8	83.4	45.5*	79.0	68.9	67.6	80.4	85.9*	92.3	80.3*
1980	83.6	84.3	87.4	52.3	83.6	75.6	72.1	86.6	88.1	92.1	83.4
1981	83.3	84.9	87.5	50.7*	83.7	76.5	72.0	87.4	87.7	91.3	83.1*
1982	83.1	85.6	87.4	51.7*	84.0	76.3	72.1	87.6	87.8	90.9	83.0*
1983	82.8	84.8	87.2	51.0*	84.2	75.6	71.4	87.8	88.0	90.6	82.7*
1984	82.4	85.4*	87.2	51.6*	84.4	75.6	70.7	88.1	88.1	89.6	82.4*
4. Employees in the iron and steel industry (ECSC)											
(a) 1 000 — end of the year											
1973	62.4	2.7	228.4	.	151.7	0.8	89.7	23.2	23.3	196.2	778.4 ¹
1979	48.7	2.8	204.8	.	120.6	0.7	98.7	16.4	21.2	156.6	670.4 ¹
1980	45.2	2.2	197.4	.	104.9	0.7	99.5	14.9	21.0	112.1	598.0 ¹
1981	44.1	1.7	186.7	.	97.3	0.7	95.7	13.4	20.9	88.2	548.7 ¹
1982	41.6	1.6	175.9	.	95.2	0.6	91.5	12.4	20.2	74.5	513.6 ¹
1983	39.6	1.6	163.7	.	90.7	0.7	87.1	12.9	19.2	63.7	479.2 ¹
1984	37.2	1.5	152.5	4.2	85.1	0.7	75.6	12.7	18.7	61.9	450.0
1985	34.5	1.8	150.8	4.2*	76.1	0.5	68.0*	12.6	18.8	59.1	426.4*
(b) Average annual increase (+) or decrease (–) as %											
1973/79	–4.0	+ 0.6	–1.8	.	– 3.8	– 2.2	+ 1.6	– 5.6	–1.6	– 3.7	– 2.5 ¹
1979/80	–7.2	–21.4	–3.6	.	–13.0	–28.6	+ 0.9	– 9.2	–0.9	–28.4	–10.8 ¹
1980/81	–2.4	–22.7	–5.4	.	– 7.2	–40.0	– 3.9	–10.1	–0.5	–21.3	– 8.2 ¹
1981/82	–5.4	– 5.9	–5.8	.	– 2.2	–14.3	– 4.4	– 7.5	–3.3	–15.5	– 6.4 ¹
1982/83	–4.8	0.0	–6.9	.	– 4.7	+16.7	– 4.8	+ 4.0	–5.0	–14.5	– 6.7 ¹
1983/84	–6.1	– 7.6	–6.8	.	– 6.2	0.0	–13.2	– 1.5	–2.6	– 2.9	– 7.0 ¹
1984/85	–7.3	+(20.0)	–1.1	0.0	–10.6	–()	–10.1	– 0.8	+0.5	– 4.5	– 5.2

* Estimates.

¹ EUR 9.

Source: Eurostat.

IV. Unemployment

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
1. Registered unemployed											
(a) 1 000 — annual average											
1960	128	31	271	87	131	53	1 546	0	29	393	2 669
1970	80*	25*	149	49	262	59	888	0	59*	612	2 183*
1980	369 ¹	176 ¹	899	37	1 451	102	1 580 ¹	1.1	325 ¹	1 591*	6 530*
1981	454	235	1 296	43	1 773	128	1 790	1.6	480	2 415*	8 615*
1982	535	253	1 855	51	2 008	157	2 163	2.0	655	2 792*	10 470*
1983	589	277	2 264	62	2 042	193	2 475	2.5	801	3 047*	11 751*
1984	595	272	2 265	71	2 310	214	2 719	2.7	822	3 160	12 430
1985	557	242	2 305	85	2 394	231	2 960	2.6	761	3 271	12 809
1985 March	570	276	2 475	102	2 420	230	2 933	2.7	773	3 268	13 090
June	506	213	2 160	64	2 223	228	2 955	2.4	738	3 179	12 268
Sept.	564	217	2 152	67	2 436	230	2 938	2.4	758	3 346	12 710
Dec.	542	225	2 347	125	2 436	240	3 088	2.6	750	3 273	13 028
(b) Unemployment rates (unemployed as % of the civilian working population)											
1960	3.6	1.5	1.0	2.4	0.7	4.8	7.2	0.0	0.7	1.6	2.5
1970	2.2	1.0	0.6	1.5	1.3	5.3	4.4	0.0	1.0	2.5	2.0
1980	9.1 ¹	6.7 ¹	3.4	1.1	6.4	8.2	7.2 ¹	0.7	6.2 ¹	6.0*	5.7*
1981	11.1	8.9	4.8	1.2	7.7	10.2	8.0	1.0	8.8	9.2*	7.4*
1982	13.0	9.5	6.9	1.4	8.7	12.2	9.7	1.3	11.8	10.6*	9.0*
1983	14.3	10.2	8.4	1.6	8.8	14.9	10.9	1.6	14.3	11.6*	10.1*
1984	14.4	9.8*	8.4	1.9	9.9	16.5	11.9	1.7	14.5	11.8	10.6
1985	13.5	8.8*	8.6	2.2	10.3	17.7	13.0	1.6	13.4	12.3	10.9
1985 March	13.8	10.2	9.2	2.7	10.5	17.7	13.1	2.7	13.8	12.4	11.2
June	12.3	7.7	8.0	1.7	9.6	17.5	13.0	1.5	13.0	11.9	10.4
Sept.	13.7	7.9*	8.0	1.8	10.5	17.7	12.9	1.5	13.3	12.5	10.8*
Dec.	13.1	8.1*	8.7	3.3	10.5	18.5	13.5	1.6	13.2	12.3	11.1*
2. Structure of unemployment											
(a) Proportion of women among the unemployed as %											
1960	25.4	11.7	34.1	.	37.4	11.5	28.8	.	16.9	27.9	28.8*
1970	42.1	18.0	37.6	.	44.4	16.8	30.1	.	21.6	15.3	27.9*
1980	61.6 ¹	50.0 ¹	51.8	40.5	54.6	23.9	46.8 ¹	51.9	35.8 ¹	30.4* ¹	45.2 ¹
1981	56.9	45.7	48.5	39.1	51.5	23.5	48.4	46.8	33.3	28.0*	42.5*
1982	54.6	46.8	44.2	39.7	50.0	24.1	49.1	46.5	31.9	28.1*	41.5*
1983	53.5	49.7	43.6	39.7	49.0	25.0	48.5	46.0	31.3	29.1*	41.3*
1984	54.0	53.5	43.7	41.0	47.6	25.7	48.5	49.7	32.5	30.5	41.8
1985	56.0	56.8	44.1	41.6	48.2	26.2	48.6	48.1	34.6	31.2	42.5
(b) Proportion of young people ² among the unemployed as % — October											
1975	43.9*	.	28.6	.	47.7	.	.	.	36.5	.	.
1980	41.4*	30.9*	26.3*	12.8	46.4	25.2	51.4	53.3	41.7	42.6*	42.6*
1981	41.4*	29.4*	26.9*	13.7	46.9	27.5	54.0	51.8	42.9	41.3*	42.5*
1982	40.4	27.5*	28.1*	34.6	46.4	29.5	48.7 ¹	50.9	42.6	41.1*	41.0*
1983	39.0	26.4*	25.3*	34.5	45.2	30.7	50.0	53.9	41.0	40.8	40.1*
1984	36.9	25.1	26.9*	42.8	44.9	30.9	48.4	50.9	39.8	39.9	39.9*
1985	37.3	24.2	24.5*	26.6	40.4	31.0	45.2	50.2	37.6	38.0	37.4*

* Estimates.

¹ New statistical series.

² Aged under 25 years.

³ September.

Source: Eurostat.

V. Industrial relations — Working conditions

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
	1. Trade union membership* (Union members as % of all employees)										
1960	62	60	38	20/25	24	44	50/55	60	38	44	42
1970	66	65	37	25	23	50	50	55	37/36	46	41
1980/82	71/73	75	42/40	30/35	23	50/48	50/45	55	35/33	52/50	43/42
1983/85	74/73	75/80	40/39	30/35	23/22	48/47	45/40	55/50	32/30	50	41/40
	2. Industrial disputes										
	(a) Average number of working days lost per year (1 000)										
1960/69	270	278	219	216*	(17 400)	420	13 993	—	69	3 555	36 420
1970/79	826	507	1 165	.	3 558	585	17 843	1.6	165	12 835	37 485
1980	217	192	128	2 617	1 511	412	13 514	0	54	11 964	30 609
1981	.	651	60	711	1 442	434	8 664	0	24	4 267	16 253 ¹
1982	.	93	15	...	2 251	434	16 243	80	215	5 316	24 647 ²
1983	.	79	41	...	1 321	319	11 648	0	118	3 754	17 280 ²
1984	.	131	6 487	...	1 317	386	7 279	0	...	27 135	...
	(b) Average number of working days lost per 1 000 employees										
1960/69	99	176	11	195*	(1 167)	607	1 137	—	21	154	472
1970/79	269	260	54	.	211	759	1 310	0	41	570	436
1980	70	90	6	1 570	82	480	932	0	13	521	341
1981	.	315	3	420	79	503	598	0	5	195	194 ¹
1982	.	45	1	...	123	504	1 122	579	49	248	300 ²
1983	.	38	2	...	72	382	811	0	27	178	206 ²
1984	.	61	296	...	73	468	511	0	...	1 283	...
	3. Hours of work per week										
	(a) Normal hours of work for industrial workers fixed by collective agreements										
1960	45-46	48	40-45	48	40 ³	44	46 ^{1/2} -48	44-48	45-48	43-44	40-48
1970	42-44	42 ^{1/2} -41 ^{3/4}	40-41	48	40 ³	41-42	42-44	41-45	42 ^{1/2} -43 ^{3/4}	40-41	40-48
1980	37 ^{1/2} -40	40	40	43-44	40 ³	40	36-40	40	40	39-40	36-44
1981	37 ^{1/2} -40	40	40	42-43	40 ³	40	36-40	40	40	38-40	36-43
1982	37 ^{1/2} -40	40	40	41	39 ⁴	40	35-40	40	40	37 ^{1/2} -40	35-41
1983	36-40	40	40	40-41	39	40	35-40	40	38-40	35-40	35-41
1984	36-40	40	38-40	40	37 ^{1/2} -39	40	35-40	40	38-40	35-40	35-40
1985	36-40	39-40	38-40	40	37 ^{1/2} -39	40	35-40	40	38-40	35-40	35-40
	(b) Hours of work offered to industrial workers — October										
1966	44.2	.	43.9	43.6 ⁵	47.3	.	44.6 ⁶	45.7	45.9	.	.
1970	42.7	.	44.1	44.6 ⁵	45.9	.	42.5	45.0	44.3	.	.
1980	35.7	.	41.6	39.0 ⁵	40.9	42.3	38.4	40.2	40.8	40.7	.
1981	35.9	.	41.3	39.0 ⁵	40.6	42.5	38.6	41.2	40.7	41.4	.
1982	34.9	.	40.0	37.8 ⁵	39.4	41.6	37.5	41.3	40.6	41.4	.
1983	35.1	.	41.0	...	39.0	41.0	37.4	41.5	40.6	41.8	.
1984	35.7	.	41.2	...	38.9	41.3	...	40.9	...	41.9	.

* Estimates.

¹ Excluding Belgium.

² Excluding Belgium and Greece.

³ Normal hours fixed by legislation.

⁴ From 1 February.

⁵ 1967

⁶ Hours paid for.

Sources: 1, 3(a) National collective agreements.

2, 3(b) Eurostat.

V. Industrial relations — Working conditions — (continued)

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
4. Basic annual paid holidays for industrial workers fixed by collective agreements in days ¹											
1960	12	18	12 -18	6-12	18	12	12	8-18 ²	12*-15*	12	6-18
1970	18	18	16*-24	6-12	24	12 -18	12 -15	18- 2	15*-18*	12-18	6-24
1980/81	24	26*-30	21*-30*	10-12	24	17*-19	20*-24	25*	20*-24*	18-23	10-30
1982	24	26*-30	21*-30*	12-24 ³	30	17*-19	20*-24	25*	22*-25*	19-25	12-30
1983/85	24-25	26*-30	21*-31*	20-24	30	24	25	25*	26*	20-27	20-31
5. Public holidays paid for and not worked (fixed by legislation and laid down in collective agreements)											
1960	10	9½	10-13	6-7	4-7	6-7	17	10	7	6-7	4-17
1970	10	9½	10-13	6-7	8-10	6-7	17	10	7	6-7	6-17
1980/83	10	9½	10-13	6-7	11	7-8	10-11	10	7-8	8	6-13
1984/85	10	9½	10-13	6-7	11	7-8	10-11	10	7-8	8-10 ⁴	6-13

¹ Working days; where the data have been annotated *, it is a question of days of work.

² According to some works agreements.

³ After one year of service.

⁴ Northern Ireland.

Sources: National legislation and collective agreements.

VI. Incomes, wages, labour costs

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
1. Gross domestic product per inhabitant at current prices and purchasing power parities											
1979	7 292	7 860	7 962	3 948	7 753	4 646	6 067	8 402	7 483	6 822	7 053
1980	8 535	8 805	9 065	4 492	8 786	5 344	7 091	9 453	8 439	7 505	8 007
1981	9 291	9 654	10 039	4 906	9 704	5 993	7 836	10 262	9 199	8 174	8 813
1982	10 383	10 940	10 983	5 355	10 822	6 572	8 562	11 363	9 935	9 138	9 728
1983	11 172	12 048	12 027	5 758	11 691	7 024	9 154	12 528	10 772	10 162	10 587
1984	11 984	13 240	13 089	6 210	12 475	7 702	9 906	14 193	11 536	10 920	11 414
1985*	13 112	14 242	14 145	...	13 295	8 244	10 810	14 109	12 344	11 955	...
2. Average compensation of wage and salary earners as % of average gross domestic product per head of occupied person (rectified wage quota)											
1960	62.5	.	60.8	91.1	61.9	75.6	72.1	60.2	60.3	63.7	65.3
1965	63.2	.	62.8	81.2	62.4	75.4	72.6	63.8	65.3	64.0	65.7
1970	61.8	66.7	63.8	76.2	61.6	75.7	70.6	58.0	65.7	64.6	65.3
1975	69.6	68.9	66.9	69.9	65.6	79.2	79.5	75.5	69.7	70.5	70.1
1980	72.1	67.0	65.2	75.2	66.1	79.9	75.3	74.7	67.5	65.1	67.9
1981	72.8	66.2	65.4	78.6	66.9	76.7	77.8	76.4	65.7	64.2	68.3
1982	71.4	64.7	64.6	79.7	66.4	75.3	77.8	73.7	64.8	63.1	67.7
1983	70.8	62.7	63.2	78.9	66.3	73.9	79.2	71.2	63.9	62.7	67.3
1984	70.8	61.1	62.5	84.5	65.1	72.0	78.4	68.0	61.4	63.3	66.8
3. Average gross hourly earnings of industrial workers											
(a) Converted into current purchasing power standards											
October 1975	2.89	3.50	2.77	1.24 ²	2.02	2.49	2.48	3.44	2.96	2.80	.
October 1980	5.61	6.20	5.14	2.76 ²	3.90	4.57	4.65	6.04	5.13	4.43	.
October 1981	6.46	6.90	5.76	3.26 ²	4.43	5.17	5.39	6.42	5.66	4.87	.
October 1982	7.01	7.49	6.31	3.92 ²	4.90	5.60	5.89	7.03	6.28	5.51	.
October 1983	7.41	7.77	6.84	4.14 ²	5.46	6.02	6.40	7.42	6.77	6.06	.
October 1984	7.77	8.17	7.27	4.54 ²	5.70	6.53	...	7.60	...	6.48	.
(b) In national currencies — average annual rates of increase as %											
Oct. 75/Oct. 80	8.6	10.0	6.4	22.9 ²	13.8	16.2	20.4	7.9	7.1	13.6	.
Oct. 80/Oct. 81	9.6	10.8	5.7	27.5 ²	15.1	19.7	24.1	5.2	5.3	12.1	.
Oct. 81/Oct. 82	6.8	9.7	4.3	36.0 ²	13.1	14.4	17.0	8.1	6.8	9.0	.
Oct. 82/Oct. 83	4.5	4.1	3.3	18.5 ²	12.9	11.3	15.9	7.9	1.9	7.9	.
Oct. 83/Oct. 84	4.3	5.1	2.5	24.1 ²	6.1	10.4	...	3.5	...	7.0	.
(c) Development in real terms (indices, October 1980 = 100)											
October 1975	87.7	103.1	88.7	76.3 ²	87.1	92.9	87.1	89.9	94.7	100.6	.
October 1980	100.0	100.0	100.0	100.0 ²	100.0	100.0	100.0	100.0	100.0	100.0	.
October 1981	101.7	99.0	98.5	101.7 ²	100.8	99.7	106.1	96.6	98.2	100.4	.
October 1982	97.7	98.3	97.8	115.3 ²	104.2	97.4	106.0	94.7	100.1	102.4	.
October 1983	96.7	97.1	98.4	112.8 ²	106.7	98.6	108.6	94.3	99.5	105.2	.
October 1984	95.3	96.3	98.7	118.7 ²	105.8	100.8	...	93.1	...	107.1	.

* Estimates.

¹ EUR 9.

² Manufacturing industries only.

Sources: Eurostat.

VI. Incomes, wages, labour costs — (continued)

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
	4. Labour costs in industry										
	(a) Average hourly costs in ECU										
1975	5.96	5.74	5.76	1.68 ¹	4.59	2.68 ²	4.20	5.61	6.45	3.02	.
1978	9.31	7.87	8.49	2.85 ¹	6.44	3.77 ²	5.01	8.51	9.03	3.81	.
1981	12.08	9.63	10.94	3.91 ¹	9.63	6.03 ²	7.40	9.71	10.73	7.43	.
1983*	12.28	10.09	13.34	...	10.41 ³	6.83 ²	9.41	9.97	13.14	7.94 ¹	.
	(b) Country with the highest level = 100										
1975	92	89	89	26 ¹	71	42	65	87	100	47	.
1978	100	85	91	31 ¹	69	40	54	91	97	41	.
1981	100	80	91	32 ¹	80	50	61	80	89	62	.
1983*	92	76	100	...	85 ³	51	71	75	99	59 ¹	.

* Estimates.

¹ Manufacturing industries only.

² Excluding construction.

³ 1982.

Source: Eurostat.

VII. Standard of living

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
1. Dwellings											
(a) Existing dwellings per 1 000 inhabitants — end of year											
1960	350	328	288	242	349	240	278	309	248	315	302
1970	372	353	341	280	376	244	319	332	295	346	331
1980	386	422	412	354	436	263	380*	383	343	382	394
1982	400	427	423	363	437	271	389 ¹	382 ¹	354	388	405*
1983	402	470	438	...	444	271	...	...	361	391	...
1984	404	475	438	...	...	276	...	...	367	...	...
(b) Completed dwellings per 1 000 inhabitants											
1960	5.3	6.1	10.4	6.5 ²	7.0	2.1	5.8	6.0	7.3	5.8	7.1
1970	4.8 ²	10.3	7.8	13.0 ²	9.3	4.6	7.0	5.2	9.1	6.6	7.8
1980	4.8 ²	5.9	6.3	20.2 ^{2,3}	7.0	8.1	4.5	5.6	8.1	4.5	6.9
1981	3.4 ²	4.3	6.0	11.1 ²	7.2	8.4	3.7	5.6	8.2	3.6	5.6
1982	3.0 ²	4.1	5.6	...	7.0	7.7	5.1	4.6	8.8	3.5	5.4
1983	3.0 ²	4.3	5.5	11.5 ²	6.8	7.4	3.7	...	8.0	3.9	5.1
1984	2.6 ²	5.2	6.5	...	...	9.9	...	...	8.0	...	...
2. Durable consumption goods — end of year											
(a) Passenger cars per 1 000 inhabitants											
1960	83	89	78	5	121	61	40	114	45	108	81
1970	213	218	230	26	254	133	190	278	195	210	212
1980	320	271	377	89	343	215	310	352	322	281	317
1981	325	267	385	94	349	226	330	366	324	303	325
1982	328	265	391	102	374	205	346	378	325	311	337
1983	331	272	400	109	372	206	345	385	332	318	345
(b) Television sets per 1 000 inhabitants											
1960	68	119	83	.	41	17	43	23	69	211	90
1970	217	274	275	19	216	149	181	208	237	294	237
1980	298	362	337	156	297	231	234	247	399	331	290
1982	304	366	354	174	369	239	409	258	421	457	376
1983	303	369	360	173	375	239	...	255	450	479	...
(c) Installed telephones per 1 000 inhabitants											
1960	125	234	108	21	95	57	77	163	88	156	108
1970	211	342	228	119	173	104	175	241	169	270	209
1980	366	641	464	290	460	190	337	361	346	496	427
1983	417	719	570	336	544	236	406	587	382	521	495

* Estimates.

¹ 1981.

² Buildings started.

³ 1979.

Source: Eurostat.

VII. Standard of living — (continued)

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
3. Consumer prices											
(a) Index 1980 = 100											
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	107.6	111.7	106.3	124.5	113.4	120.4	117.8	108.1	106.7	111.9	111.7
1982	117.0	123.0	111.9	150.5	126.8	141.1	137.2	118.2	112.8	121.5	123.0
1983	126.0	131.5	115.6	181.4	139.0	155.8	157.3	128.4	115.9	127.1	132.4
1984	134.0	139.8	118.4	214.6	149.3	169.2	174.3	135.7	119.6	133.4	140.7
1985	140.5	146.4	121.0	256.3	158.0	178.4	190.3	141.3	122.3	141.5	148.6
(b) Annual average rate of increase											
1980/81	7.6	11.7	6.3	24.5	13.4	20.4	17.8	8.1	6.7	11.9	11.7
1981/82	8.7	10.1	5.3	21.0	11.8	17.2	16.5	9.4	5.7	8.6	10.1
1982/83	7.7	6.9	3.3	20.5	9.6	10.4	14.7	8.7	2.7	4.6	7.6
1983/84	6.4	6.3	2.4	18.3	7.4	8.6	10.8	5.6	3.2	5.0	6.3
1984/85	4.9	4.7	2.2	19.4	5.8	5.4	9.2	4.1	2.3	6.1	5.6

Source: Eurostat.

VIII. Social protection

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
1. Total social protection expenditure as a % of the gross domestic product											
1970	18.7	19.6	21.5	13.6 ¹	19.2	-13.2	17.4	15.9	20.8	15.9	19.0 ³
1975	24.2	25.8	29.8	14.3 ²	22.9	19.7	22.6	22.3	28.1	19.4	24.7 ³
1980	28.1	28.7	28.5	...	25.9	21.0	22.8	25.9	30.4	21.4	25.8 ³
1981	30.0	30.1	29.4	...	27.4	21.9	25.3	27.8	31.4	23.4	27.2 ³
1982	31.4	30.3	29.4	...	28.5	23.8	25.8	28.9	33.3	23.0	27.6 ³
1983	31.9	30.2	28.9	...	28.8	24.6	27.3	29.3	34.0	23.8	28.0 ³
2. Social protection benefits											
(a) Benefits per inhabitant at 1980 prices and purchasing power parities											
1975	1 780	2 130	2 200	.	1 680	860	1 210	1 730	1 990	1 300	1 640 ³
1980	2 270	2 460	2 510	.	2 160	1 060	1 480	2 290	2 470	1 560	1 980 ³
1982	2 430	2 650	2 490	.	2 380	1 180	1 710	2 360	2 580	1 680	2 110 ³
1983	2 440	2 780	2 480	.	2 430	1 220	1 790	2 320	2 620	1 790	2 170 ³
(b) Benefits per function as %											
<i>1970</i>											
— Sickness	22.1	29.2	27.7	.	26.9	28.7	26.3 ⁴	17.2	29.8	26.3	.
— Invalidity, employment injuries	12.6	14.1	12.6	.	9.9	10.2	21.3	7.8	12.1	9.2	.
— Old age, survivors	40.6	36.3	45.6	.	41.1	36.9	34.8	63.0	40.4	46.9	.
— Maternity, family	20.0	14.1	0.2	.	16.8	17.1	12.9	11.5	14.0	10.8	.
— Unemployment, vocational training, placement	3.7	2.8	2.0	.	2.0	5.7	1.1	0.0	3.3	4.5	.
— Other	0.9	3.6	1.9	.	3.4	1.4	3.5	0.6	0.3	2.3	.
	100.0	100.0	100.0	.	100.0	100.0	100.0	100.0	100.0	100.0	.
<i>1983</i>											
— Sickness	21.9	23.5	27.0	.	24.9	29.0	22.5	22.8	25.6	20.3	.
— Invalidity, employment injuries	11.4	8.5	11.4	.	8.5	7.2	21.3	20.6	18.5	9.7	.
— Old age, survivors	39.1	34.7	43.5	.	40.8	31.8	45.1	44.0	31.5	42.4	.
— Maternity, family	10.4	10.4	7.4	.	11.3	12.1	7.6	9.2	8.4	12.0	.
— Unemployment, vocational training, placement	15.8	17.5	9.3	.	10.4	14.7	3.3	3.3	12.7	11.4	.
— Other	1.4	5.3	1.5	.	4.0	5.1	0.2	0.1	3.2	4.2	.
	100.0	100.0	100.0	.	100.0	100.0	100.0	100.0	100.0	100.0	.

¹ 1969.

² 1977/78.

³ EUR 9.

⁴ Data from the second European social budget.

Sources: Sespros, Eurostat.

VIII. Social protection — continued

Year	B	DK	DE	GR	F	IRL	IT	L	NL	UK	EUR 10
	3. Receipts according to nature %										
<i>1970</i>											
— Employers' contributions	51.0	11.2	47.1	.	59.2	19.3	54.9	36.0	43.3	33.6	.
— Contributions from protected persons	21.2	6.4	24.2	.	18.9	12.4	15.4	24.9	35.8	18.0	.
— Contributions from public funds	23.5	79.6	23.7	.	18.6	67.5	23.3	30.3	12.5	38.4	.
— Other	4.3	2.8	5.0	.	3.3	0.8	6.3	8.8	8.4	10.0	.
	100.0	100.0	100.0	.	100.0	100.0	100.0	100.0	100.0	100.0	.
<i>1983</i>											
— Employers' contributions	39.2	10.0	40.2	² 37.4	52.8	23.0	53.3	33.1	31.1	31.8	.
— Contributions from protected persons	16.8	3.7	29.6	37.3	23.6	12.5	13.9	25.6	36.8	15.9	.
— Contributions from public funds	39.8	81.5	26.8	21.7	20.5	63.3	30.6	32.8	18.6	43.3	.
— Other	4.2	4.8	3.4	3.6	3.1	1.2	2.2	8.5	13.5	8.9	.
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	.

¹ Data from the second European social budget.

² 1977/78.

Source: Eurostat.

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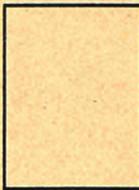
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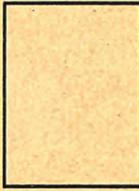
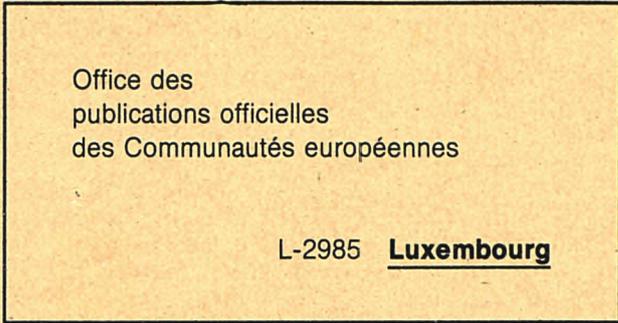
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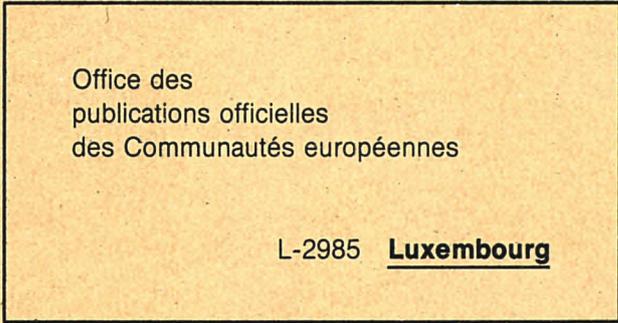
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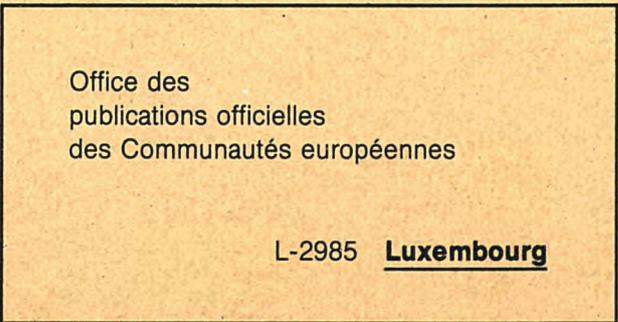
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