

inforMISEP

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On the basis of an agreement of the directors general for employment, the Commission of the European Communities has created a Mutual Information System on Employment Policies (MISEP).

inforMISEP (iM) is the quarterly outcome of this system. It presents the changing policies and actions, particularly those sponsored by national ministries and agencies, aimed at promoting and improving employment within the European Community. It is compiled on the basis of information provided by national correspondents (listed on the back page). No statistical information is provided, readers being referred to the various Eurostat publications. The present issue covers the following areas:

Overall developments

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Developments at a glance

- Belgium** The requirements which have to be met in order to be eligible for benefit under the unemployment insurance scheme have been eased for young workers who have finished their studies (p. 7). Transition allowances have been introduced for certain categories of young people meeting the part-time educational requirement (p. 8). The rights of workers after corporate takeovers and bankruptcies have been reviewed (p. 13).
- Denmark** A new Adult Vocational Training Act standardises previously existing rules, opens up opportunities for new target groups and facilitates experimental approaches (p. 9). The new Act on Employment Opportunities for Young Persons also standardises existing rules but eliminates the possibilities of having schemes produce competitively marketed goods (p. 10).
- Germany** The seventh amendment to the 1969 Labour Promotion Act (AFG) concerns various employment promoting measures such as improving the vocational training instruments, easing access to job creation measures for older workers, fostering company start-ups by the unemployed and decreasing the contribution rates to the Federal Employment Institute, thereby reducing the indirect labour costs, as well as measures aimed at improving the social situation of the older and long-term unemployed (p. 3). Nearly 4% more training places were available in September 1985 compared with a year earlier (p. 9). A research project is examining the scope for local employment policy and the improvement in co-operation among the actors on the local labour market (p. 11). It is hoped that the law on parental leave and allowance will inter alia reduce unemployment by at least 300,000 (p. 13).
- France** An evaluation of GIDE, the computerised system for managing applications for employment, is leading to increasing the information items collected (p. 15).
- Ireland** The government has made a statement on six factors which should determine pay policy (p. 4). A new scheme, "Building on Experience", seeks to expand the occupational options available to the long-term unemployed (p. 14).
- Italy** A three stage programme in computer literacy, 50% European Social Fund financed, has been launched, intended for trainers and students (p. 10). Law no. 444/85 provides for some 26,000 public sector jobs: 22,000 for the long-term unemployed and 4,000 odd for CIG beneficiaries (p. 11).
- Netherlands** The "plough back" scheme which uses "saved" unemployment benefit money to finance employment projects in building, is being continued (p. 12). Three ministries in conjunction with trade and industry have developed ISI, a programme to train school-leavers as computer personnel (p. 10). The government has invited the social partners to set up advisory centres for technological change (p. 15).
- United Kingdom** Government changes in September strengthen the Ministry of Employment, giving it an Enterprise and Deregulation Unit, a Small Firms and Tourism Division and responsibility for co-ordinating employment actions in urban areas (p. 5). A study of changing unfair dismissal legislation since 1979 indicates that it has had very limited impact, positive or negative, on employment (p. 5). To enhance the relevance of the country's vocational training system, the Manpower Services Commission is financing specific post-school courses (p. 10). The government is deratifying ILO Convention 26 on (minimum) wage fixing machinery (p. 12). REPLAN seeks better linkage between the unemployed and training; employers are receiving grants for adopting redundant apprentices; and Jobclubs is a self-help network for the long-term unemployed (p. 15).

Overall developments

GERMANY: Amending the Labour Promotion Act (AFG)

The first reading of the bill for a seventh amendment to alter the Labour Promotion Act (AFG) took place in parliament on 4 October. The law should come into force on 1 January, 1987.

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 characterised 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 6.9 bn to DM 9.3 bn. 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 re-emerged 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 continuation of their employment and labour market policy.

The law, outlined below:

- 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;
- preserves the social protection function of the unemployment insurance and unemployment assistance through improving the social situation of the older and long-term unemployed;
- 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:

- 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;
- 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:

- 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;
- 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;
- 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.
- 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;

- the legal claim to a subsistence allowance loan, especially for vocational promotion schemes, will be re-introduced.

2. Improving the employment situation

The following specific measures are provided for by the law:

- Older workers will be able to participate in job creation measures (ABM) from the end of their fiftieth year instead of their fifty-fifth, as now.
- 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.
- 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 and 1984 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 benefit 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:

- The maximum duration for which unemployment benefit can be claimed will be gradually increased for unemployed persons upon completion of their 44th year:
 - from the completed 44th year, by up to 4 months to 16 months
 - from the completed 49th year, by up to 2 months to 20 months
 - 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 year olds 7.9 months.

- 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 employment. 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.
- 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.
- 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 organisation 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 consider that new pay increases for 1985 should not exceed 1 or 2 per cent 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 consider 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 consider 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 have 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 - 1987" (see iM no. 8).

For commercial state-sponsored bodies, most of which are under severe financial strain, the Government also conclude 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 organisational 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 (see iM no. 11).

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 co-ordinating 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:

1. 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.
2. 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 sub-contracting, self-employment status, temporary workers or part-timers in a direct attempt to avoid unfair dismissal claims. These forms of employment were becoming 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.

Overall, 47% of managements had unfavourable attitudes to the tribunal system, 27% were favourable, with 26% indifferent.

Small employers tended to be the most antagonistic to legislation, in particular where they personally had experienced a complaint.

Most of the 47% of employers who criticised 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.

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.

None of the firms had relaxed their practices on recruitment or discipline in response to the recent changes.

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 (see iM no. 10). 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.

Copies of the study described above may be obtained from the UK correspondent.

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 benefit as such.

In both cases the following **conditions** must be met in order to **qualify for benefit:**

1. The claimant must have:

- 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 organised, recognised or grant-aided by the state; or
- obtained, for the above studies, an end-of-studies diploma or a certificate from the central examination board; or
- 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 recognised 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:

- 75, if, at the time of claiming, they have not reached the age of 18 years;
- 150, if, at the time of claiming, they are aged between 18 and 26 years;
- 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 penalising 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 (see iM no. 3) on 1 September, 1983, this educational requirement is split into:

- 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;
- 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 recognised 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:

1) young people who

- have completed technical or vocational lower secondary studies within a teaching establishment organised, recognised or grant-aided by the state; or
- have obtained an end-of-studies certificate issued for this training by the central board of examiners; or
- 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:

- either have been in gainful employment;
- 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;

2) 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 6 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 pro-

vided they had been in gainful employment for at least 150 half-working days during the ten 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:

- for the hours of normal inactivity. Hours spent in attending courses or undergoing training to meet the part-time educational requirement are considered as hours of normal inactivity;
- 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 organised 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 to 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 organised 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 la-

bour mobility which is very important in Denmark where the economy is characterised 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 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 authorised 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 of 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 guidance 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, organisational, 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.

4.6 billion lire 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 83516).

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 people 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 organisations have contributed to giving young persons a chance of becoming

employed. Hence, the Act makes it possible for public benefit organisations 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 organisations. But in most cases, it will not be possible for private organisations to take the initiative for subsidised projects. As previously, participants in the projects may undergo training for up to 3 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 - 35 D.kr. 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 per cent 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 will come 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.

European Community reference: Council Resolution of 23 January, 1984 on the promotion of employment for young people (84/C/29/01)

GERMANY : Testing the scope for local employment policy

The Minister of 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 co-operation 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 organisations, employers' organisations, trade unions, initiatives of the unemployed, associations for voluntary social work, communities, churches and financial institutions. Questions such as the following will be tackled:

- How do company start-ups and job creation develop at the local level?
- How, on the other hand, do company close-downs and bankruptcies develop?
- Which actors on the local labour market were brought in and when? Which ones work (or do not work) together?
- How can such co-operation be improved?
- 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 co-operation 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 co-operation.

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 co-operation.

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 unemployment register for more than six months.

The law authorises state administrations, autonomous bodies and local authorities to fill available vacancies in their organisation with workers from enterprises operating 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 3 months, organised by the administration concerned.

The law also authorises 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 6 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 (IM no. 6). 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 - DFL 250m - the government added DFL 100m and persuaded various project promoters (municipalities, house building corporations and individuals) to make available DFL 650m. Thus, by an investment of DFL 100m 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**:

1. The projects must be **additional**, i.e. they would not have been undertaken were it not for the additional finance.
2. There must be no falsifying competition.
3. The projects must not lead to regular workers being displaced from their jobs.
4. 70 per cent 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 DFL 100m - 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 3 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 de-ratify 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 organisations and individuals. Whilst both the TUC and individual trades unions called for retention and strengthening of the system, employer opinion was divided. Analysis showed that most employer organisations 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 IL Convention 26 was to be de-ratified. (Notice of this was given to ILO on 25 July 1985; de-ratification 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:

- 1) 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 organisational 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.

- 2) 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 75,000 BF 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 billion "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; re-introduction 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) authorise 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 of 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 authorised 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 1.5 bn, rising to DM 2.8 bn 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 2.8 bn.
- 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 re-employment. There, the rate of female employment is, according to an OECD study, 38.70% whereas in West Germany the figure is 38.2% (1982 figures). In France parental leave - also linked with a guarantee of re-employment - 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 (see iM no. 8) 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 unemployed by restoring self-confidence, developing initiative and job-finding skills; it encourages trainees to examine alternative occupational options which include self-

employment, co-operative 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 computerisation programme, ANPE has set up jointly with the body managing the unemployment insurance system (UNEDIC) a computerised 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 3 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 agreement linking ANPE and UNEDIC will be renegotiated in December 1985 for the renewal of the system. 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 (see iM no. 9).

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:

- (1) develop and improve educational opportunities for unemployed adults by giving them new skills and knowledge;
- (2) help those who provide education by identifying and publicising the most effective ways and means of meeting the educational needs of unemployed people;

- (3) 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 £2,250 are to be made available **to employers** who take on **redundant apprentices** 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.

Rough currency conversion rates

One European Currency Unit (ECU) was roughly equivalent to the following amounts of national currencies in mid-November 1985:

. Belgium	45 BFR
. Denmark	8.0 DKR
. Germany	2.2 DM
. Greece	130 DRA
. France	6.7 FF
. Ireland	0.71 IR£
. Italy	1,490 LIT
. Luxembourg	45 LFR
. Netherlands	2.5 HFL
. United Kingdom	0.59 UK£

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