

European Communities

---

EUROPEAN PARLIAMENT

# Working Documents

1983-1984

---

14 November 1983

DOCUMENT 1-919/83/ANNEX

**ANNEX**

to the report drawn up by Mr PAPANTONIOU  
on behalf of the Committee on Economic and  
Monetary Affairs

- Opinion of the Committee on Budgets
- Opinion of the Committee on Regional Policy  
and Regional Planning
- Opinion of the Committee on the Environment,  
Public Health and Consumer Protection

PE 86.818/fin./Ann.



OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the Committee to Mr J. MOREAU, chairman of the Committee on Economic and Monetary Affairs

---

Strasbourg, 28 October 1983

Subject: Proposal from the Commission of the European Communities to the Council for a Regulation on special measures in favour of Greece in the social field (Doc. 1-639/83)

Dear Mr Chairman,

The Committee on Budgets considered the above proposal from the Commission at its meeting of 24 October 1983.

It approved the Commission's proposal while stipulating that no decision had thereby been reached concerning the expenditure of 120m ECU estimated by the Commission. At its first reading of the draft general budget of the European Communities the committee proposed a token entry against the corresponding budgetary item, to which appropriations could be transferred when necessary.

Finally, the committee criticized that part of the Commission's proposal concerning the establishment of a management committee and the stipulation in Article 12 that if the Commission's decisions are not in accordance with the opinion of the committee, the Council may take a different decision within two months. Parliament has always opposed allowing the final decision to rest with the Council, and a corresponding amendment should therefore be included in your report.

Yours sincerely,

(sgd) Erwin Lange

The following took part in the vote: Mr Lange, chairman; Mrs Barbarella, vice-chairman; Mr Abens, Mr Adonnino, Mr Arndt, Mr Barbagli, Mr Bonde, Mrs Boserup, Lord Douro, Mr Hord (deputizing for Mr Balfour), Mr Lalumière, Mr Louwes, Mrs Kalliopi Nikolaou, Mrs Phlix (deputizing for Mr Konrad Schön), Mr Price, Mr Protopapadakis, Mr Saby and Sir James Scott-Hopkins (deputizing for Mr Newton Dunn)

OPINION  
(Rule 101 of the Rules of Procedure)  
of the Committee on Regional Policy and Regional Planning

Draftsman: Mrs Y.M. FUILLET

On 11 October 1983, the Committee on Regional Policy and Regional Planning appointed Mrs Y.M. FUILLET draftsman of the opinion.

At its meeting of 3 November 1983 the committee considered the draft opinion and adopted its conclusions unanimously.

The following took part in the vote: Mr De Pasquale, chairman; Mrs Fullet, vice-chairman and draftsman of the opinion, Mr Faure, Mrs Boot, Mr Cecovini, Mr Gendebien, Mr Hutton, Mr Kazazis, Mr Kyrkos, Mr Pöttering and Mr Ziagas (deputizing for Mr von der Vring).

## I. INTRODUCTION

1. In its 'Memorandum'<sup>1</sup> of 19 March 1982, the Greek Government outlined the special features of the economic and social situation in Greece which as a whole presents considerable structural inadequacies by comparison with the other Member States, and it stressed the risk these inadequacies posed, particularly in the current climate of economic crisis, to a harmonious integration of Greece in the European Community unless adequate measures were adopted in good time within the framework of the various Community policies.
2. In its reply<sup>2</sup> to the 'Memorandum', the European Commission largely recognized the basis for the Greek request and notably that Greece presents structural weaknesses such that it sometimes lacks the basic requirements enabling the country to benefit properly from Community policies and the operations of the EEC structural funds. Hence various special measures were formulated to redress the situation.
3. With regard to the social field, the Commission expressed its intention of proposing financial assistance for the construction and fitting out of vocational training centres in urban areas and for improving the facilities for occupational and social rehabilitation for certain categories of handicapped persons to enable Greece to make better use of the resources of the Social Fund.<sup>3</sup>
4. Before examining these two proposals in greater detail it should be recalled that after the European Council meeting in Stuttgart of 17-19 June 1983 the conclusions of the President on the entire package of measures outlined by the European Commission were couched in the following terms<sup>4</sup>: 'It welcomes the fact that the Commission intends shortly to submit specific proposals (including their financial aspects) in various sectors complementing its earlier proposals. It invites the Council to examine these proposals with a view to concrete decisions before the next European Council'.

---

<sup>1</sup> SI (82) 203, 23.3.1982

<sup>2</sup> Greece in the Community: assessment and proposals - COM(83) 134 final, 14.4.1983

<sup>3</sup> See COM(83) 134 final, 14.4.1983, points 74, 75 and 76

<sup>4</sup> See EC Bulletin No. 6 - 1983, point 1.5.18, p. 22

The proposal for a regulation

5. In accordance with its previous statements the Commission's present proposal provides for special financial support from the period 1 January 1984 to 31 December 1988 for programmes to be drawn up by Greece for the construction, adaptation and fitting out of:
- (a) vocational training centres,
  - (b) centres for the treatment and medical, occupational and social rehabilitation of the sick and the mentally handicapped.
6. Before considering the details of the two actions proposed certain important aspects common to both of them should be stressed:
- (a) these are actions which, while pursuing the same aims as the Social Fund and the Regional Fund and while being closely linked to the activities of these two Funds, nonetheless stand apart from the regulations of the funds as regards the modus operandi, the types of subsidies available as well as the sources of financing which are to be provided by the creation of new budgetary lines distinct from the budgets of the Social and Regional Funds;
  - (b) the new actions will involve the operation of the two structural instruments mentioned taking into account the specific nature of the situation in Greece and are an essential prerequisite for Greece to take advantage of its rightful benefits from Community policies on vocational training in general and the integration into society of handicapped persons, and the corresponding aid from the European Social Fund;
  - (c) financial assistance from the Community is guaranteed not for individual projects but for overall programmes which should correspond to the policies that the Greek Government intends to implement in the sectors concerned and to the objectives and principles laid down in these fields for the Community as a whole.

A. Vocational training centres

7. On the one hand, the worsening employment situation particularly among young people (unemployment is actually more serious than shown by the official statistics which do not take into account the specific employment structure in Greece nor the widespread underemployment), on the other hand the lack of structures for vocational training (in the whole of Greece there are only 27,000 training places available for a population of about 10 million) have led the Greek Government to provide in the 5-year plan 1983-1987 for the construction of 71 new centres with a total capacity of 17,000 training places.
8. Many of these new centres will be built in the Athens area although this is not an a priori choice in favour of urban concentrations, this being incompatible with the guidelines for sound regional policy and regional planning which should aim to discourage such concentrations and the depopulation and abandonment of rural and peripheral zones.
9. The reason for the decision is the urgent need to rectify the damage and imbalances Athens has suffered as a result of uncontrolled urbanization which is demonstrated by the following statistics:
  - (a) more than 40% of the total Greek population now lives in the Athens region (in 1951 it was only 1 in 6),
  - (b) roughly 60% of industrial jobs are located in Athens.
10. Congestion in the region of the capital has not been met with a corresponding expansion of infrastructure (one training place per 3,500 inhabitants on average!), spending on which has largely been concentrated elsewhere in the country in an attempt to stem the exodus from those areas.
11. The European Regional Development Fund is participating in the national effort in the vocational training sector by contributing towards the construction of 8 centres, but cannot intervene in Athens which lies outside the Fund's field of application: an immediate justification for implementing the proposed action is therefore to enable the financing for this type of infrastructure, to which the ERDF usually contributes, to include Athens itself, thereby widening the scope for Community aid to infrastructure, as in the case of training centres, to include the whole of Greece.

12. It should also be noted that the European Social Fund, whose field of application applies to Greece as a whole as a priority region, could not accomplish the task in question since, under the terms of the various provisions for vocational training, it may only grant subsidies for the rapid amortization (6 years) of training centres and not contribute to building costs.
13. The second justification for this action relates to the aim of helping Greece to establish the basic conditions and structures for taking proper advantage of the Community's policies and instruments particularly in the case of Community policy on vocational training and the European Social Fund.
14. It should be recalled that:
- (a) the Community has well-defined responsibilities in the field of vocational training for which the Council has laid down the principles and objectives in specific resolutions<sup>1</sup> in accordance with Article 128 of the Treaty of Rome;
  - (b) this type of situation should be dealt with as soon as possible within the framework of the Social Fund. In 1982 only 4% of the overall appropriations of the Fund's budget (commitments) was allocated for operations in Greece: to give an idea of how little this represents the Republic of Ireland, with a population only one-third the size of Greece, received 9.5% of the commitment appropriations<sup>2</sup>.
15. It is essential to break the present vicious circle: the Social Fund provides subsidies for operations involving vocational training but in Greece these operations cannot be carried out, or only to a limited extent on account of the lack of infrastructure, which means that Greece cannot make adequate use of the European Social Fund for its needs.

---

<sup>1</sup> See most recent resolution of 11.7.83: OJ No. C 193, 20.7.83, p. 2

<sup>2</sup> See 'Eleventh Report on the activities of the European Social Fund - 1982 financial year': COM(83) 434 final, p. 97



16. The Community financial contribution, which amounts in the case of centres for the handicapped to 60 million ECU spread over 5 years, is certainly not excessive.
17. It should be pointed out, however, that the proposed rate of intervention for the setting up of training centres is 55% of eligible public expenditure. On the one hand this is higher than the rate of intervention for setting up infrastructure as provided for by the ERDF (40%), on the other hand it is the same as the increased rate of intervention provided for within of the Social Fund for operations carried out in 'high priority' regions of which Greece is one.
18. This rate is to be welcomed as a step towards a greater concentration of Community aid, in particular from the quantitative point of view, thereby increasing its impact, but it is to be regretted that the Commission has not given reasons for the different rate (75%) envisaged for the centres for the sick and mentally handicapped. Since no explicit reasons are given it would have been better to propose a rate of 75% for the vocational training centres too, if only for reasons of simplicity and uniformity.

B. Centres for the treatment and medical, occupational and social rehabilitation of the mentally ill and mentally handicapped

19. More or less the same situation as regards vocational training applies to the system of treatment and rehabilitation for the mentally sick and handicapped, which is largely inadequate and will be subject to a thorough overhaul within the wider reform of the health system in Greece.
20. It should first be pointed out that even if there is no genuine Community policy in this field, well defined lines of action have been laid down in the Council Resolution of 21 December 1982<sup>1</sup> which require the Member States to increase activities aimed at promoting the economic and social integration of handicapped persons. The European Parliament expressed its support for even more energetic initiatives in this sector, notably in its Resolution of 11 March 1981<sup>2</sup>.

<sup>1</sup> See OJ No. C 347, 31.12.1981, p. 1

<sup>2</sup> See OJ No. C 77, 6.4.1981, p.23 ff. - Report by Mrs Clwyd: Doc. 1-868/80

21. It is true however that the European Social Fund allocates a considerable share of its resources to operations for the occupational and social reintegration of the handicapped. But Greece cannot take advantage of these subsidies unless it undertakes to construct or renovate buildings and facilities to enable the use of methods of treatment and rehabilitation aimed at reintegration.
22. Essentially it involves breaking the same vicious circle which exists in the field of vocational training<sup>1</sup>.
23. Again there is ample justification for resort to ad hoc action outside the structure and modus operandi of the existing structural funds even if it is closely linked to the Social Fund, as a necessary prerequisite for the Fund to provide adequate assistance to Greece.
24. The advisability of ad hoc action becomes clear if one takes into account the following:
  - (a) the European Regional Development Fund has until now never provided assistance for this type of infrastructure even though there is no regulation which expressly forbids it;
  - (b) the European Social Fund, on the other hand, is not only unable to provide assistance for the building of these centres, as we have seen, but can only grant subsidies for expenditure relating to the functional rehabilitation and occupational reintegration of the handicapped while expenditure for medical treatment and rehabilitation in general is not included.
25. Community assistance is obviously necessary at least in the initial phase of psychiatric reform to cope with the serious inadequacies and shortcomings of the present system and to speed up as far as possible the establishment of a modern system for the medical, occupational and social rehabilitation of the mentally sick and handicapped.

---

<sup>1</sup>See point 15 of this document

26. In view of the aims of such action and their human, social and political significance which is greater than in the previous case, the expenditure of 60 million ECU spread over 5 years would appear more than justified and the rate of Community intervention fixed at 75% of public expenditure allowed should certainly, for the reasons given above,<sup>1</sup> be approved.

## II. CONCLUSIONS

27. In light of the above the Committee on Regional Policy and Regional Planning asks the Committee on Economic and Monetary Affairs as the committee responsible to take into account the following conclusions:

1. approves the proposal by the Commission of the European Communities which aims to ensure at least some of the conditions whereby Greece will be able to take adequate advantage in relation to its needs of the various Community policies and the Community structural funds, notably of the social and employment policy, vocational training policy, actions in favour of the occupational and social reintegration of the handicapped and of assistance from the European Social Fund;
2. considers that the pursuit of this objective is urgent and indispensable for the most rapid and harmonious integration possible within the Community of the Member State concerned;
3. views as highly positive the Community's ability to show flexibility and realism in drawing up ad hoc actions to take account of the specific nature of a given socio-economic environment and to provide itself with the instruments necessary for helping to palliate the most glaring structural inadequacies and developmental deficiencies;
4. Emphasizes that the actions envisaged for vocational training in general and for the occupational and social integration of the mentally sick and handicapped are a necessary if partial

---

<sup>1</sup> See point 18 of this document

element of the integrated Mediterranean programmes, notably in connection with the programme for Greece<sup>1</sup>: on the basis of the Commission's proposals and subject obviously to the final opinion of Parliament it must be emphasized that these programmes provide for a whole range of assistance which is preponderantly directed towards the agricultural sector in the broad sense;

5. stresses positively that in accordance with the most recent guidelines on regional policy and for direct intervention to redress the structural imbalances for development:

(a) Community financial assistance in the form of subsidies is being allocated not only to single projects but to programmes which form part of the national policies, respond to the objectives of the corresponding Community policies and will be coordinated between the national and Community authorities;

(b) the rates of intervention which should perhaps be fixed uniformly at the highest level, are undoubtedly higher than those normally laid down for aid to infrastructure as provided for within the framework of the Regional Fund: this contributes towards a more marked concentration of Community financing and hence to a greater impact;

6. in view of the new aspects presented by the proposed actions and particularly the profound significance and human, social and political value of the aims envisaged, urges that the Council and Parliament be informed in an exhaustive and detailed manner of all the aspects and the results of these actions and that whatever is achieved with their assistance be duly publicized in Greece in the forms laid down for intervention by the European Regional Development Fund;

7. in endorsing the vote by the European Council in Stuttgart which expressed support in principle for the measures under consideration, asks the Council of Ministers to adopt the proposals put forward by the European Commission as soon as possible and in any event before the European Council in Athens so that they may be implemented at the beginning of next year;

---

<sup>1</sup> COM(83) 24 final, 28.3.1983 and COM(83) 495 final, 16.8.1983

8. at the same time urges the European Parliament to support as one of the highest priorities the inclusion of the necessary appropriations for financing these measures in the budgetary procedure for the 1984 financial year;
  
9. feels it should be recalled that in Protocol No. 7 of the Act of Accession of the Hellenic Republic <sup>1</sup> the main contracting parties agreed, inter alia, to recommend to the institutions of the European Community that all the methods and procedures laid down by the EEC Treaty including the procedure under Article 235 on which the Commission's proposal is based, be implemented in order to support the Greek policy for industrialization and development which aims to bring the standard of living in Greece closer to that of the other European nations and to eliminate underemployment.

---

<sup>1</sup>OJ No. L 291, 19.11.1979, p. 177

OPINION

(Rule 101 of the Rules of Procedure)

of the Committee on the Environment, Public Health and Consumer Protection

At its meeting of 22 September 1983, the Committee on the Environment, Public Health and Consumer Protection appointed Mrs Spaak draftsman.

The committee considered the draft opinion at its meeting of 3 November 1983 and adopted it unanimously.

The following took part in the vote: Mr COLLINS, chairman; Mr RYAN, vice-chairman; Mrs WEBER, vice-chairman; Mrs SPAAK, draftsman; Mr ALBER, Mr BOMBARD, Mrs KROUWEL-VLAM, Mrs LENTZ-CORNETTE, Mr MUNTINGH, Mrs PANTAZI-TZIFA, Mrs SCHLEICHER, Mrs SCRIVENER, Mrs SEIBEL-EMMERLING, Dr SHERLOCK, Mrs SQUARCIALUPI, Mrs VAN HEMELDONCK and Sir Peter VANNECK (deputizing for Miss HOOPER).

1. In its Memorandum of 19 March 1982<sup>1</sup>, the Greek Government drew the attention of the Community authorities to the specific characteristics of the Greek economy resulting from structural inadequacies, and to the need for corrective measures to enable Greece to participate more fully in the Community.

More specifically, the Greek Government's Memorandum asked the Community to take action on behalf of Greece at two levels: firstly, by adjusting Community policies, and secondly, by applying and extending the Community's financial support mechanisms.<sup>2</sup>

2. In its reply<sup>3</sup> to the Greek Government's Memorandum, the Commission recognized the particular problems of the Greek economy and proposed a series of measures to help Greece reform its economic structures and accelerate its integration into the Community.

In the field of social and health policy, in particular, the Commission recognized the lack of vocational training facilities in Greece and of an adequate system for the treatment and medical, vocational and social rehabilitation of certain categories of disabled people as factors preventing Greece from taking full advantage of the European Social Fund. The Commission announced its intention of proposing financial assistance for Greece in this area.

---

<sup>1</sup> Position of the Greek Government concerning relations between Greece and the European Community, S I (82) 203 of 23 March 1982.

<sup>2</sup> The Greek Government supported its argument by reference to Protocol No. VII to the Act of Accession of Greece.

<sup>3</sup> See Communications from the Commission to the Council of 14 June 1982, COM(82) 348 final and of 29 March 1983, COM(83) 134 final. These communications are the Commission's reply to the Greek Government's Memorandum, in accordance with the mandate given to it at the Council meetings of 22/23 March and 20/21 June 1982 to examine the Memorandum and submit its conclusions.

3. This committee's opinion on the proposal from the Commission refers only to that part of the document covering arrangements for the mentally ill and the mentally handicapped, since the subject of vocational training does not fall within its jurisdiction.

Financial assistance of 60 million ECU is proposed for the period from 1 January 1984 to 31 December 1988 for the construction, conversion or equipment of centres for the treatment and medical, vocational and social rehabilitation of mentally ill and mentally handicapped people.

Greece is called upon to draw up, and communicate to the Commission, a programme covering:

- the number of centres to be set up or adapted and their location;
- for each centre: the capacity expressed in numbers of places for treatment, rehabilitation and accommodation;
- the treatment and rehabilitation activities planned;
- the cost and method of financing;
- the duration of the construction or conversion work;
- the equipment needed;
- the staffing needs indicating qualifications and training required;
- a definition of its role for the treatment and rehabilitation of the mentally ill and the mentally disabled;
- the place of the programme in the framework of social and health policy.

The projects to be financed are included in this programme. Community support for these projects in the form of subsidies may not exceed 75% of eligible public expenditure.

4. Ever since Greece joined the Community, it has qualified as one of the priority regions eligible for a higher rate of intervention under the European Social Fund.<sup>4</sup> However, its share of aid from the Fund amounted to only 3% of the ESF's total budget in 1981, and 4% of the total in 1982.

---

<sup>4</sup> See Council Regulation (EEC) No 1989/81 of 13 July 1981, OJ No L 194, 17 July 1981, p.4



Moreover, these percentages do not reflect the extent to which Greece has actually benefited from the Fund, since it has refunded certain payments.<sup>5</sup> Action in the field of the rehabilitation, and particularly the vocational training, of disabled people is much more restricted in Greece than in the other Member States. This situation is caused to a great extent by the structural inadequacies of Greece's social sector, which limit its possibilities of obtaining aid from the Fund.

#### General background

In its Resolution of 11 March 1981,<sup>6</sup> the European Parliament called on the Member States and the Community Institutions to adopt a whole series of measures to promote the economic, social and vocational integration of the disabled.

Similarly, the Council, in its Resolution of 21 December 1981,<sup>7</sup> called on the Member States to pursue, and if possible redouble, their efforts to promote the economic and social integration of the disabled in order to enable them to take their place in society.

The Commission's proposal is intended to help create the necessary infrastructures for the medical treatment and rehabilitation of the mentally ill and mentally handicapped in Greece.

It is widely recognized that the treatment provided for mentally ill and mentally handicapped people in Greece has considerable shortcomings. The system is based on an outdated body of legislation and, as it stands at present, offers patients little opportunity of adapting physically and psychologically to society.

At present Greece has about 9,000 hospitalized patients in public psychiatric institutions and a further 4,000 in private institutions. A large number of these establishments lack the necessary facilities for the treatment and rehabilitation of mental patients. The standard of buildings and equipment is inadequate in many of these institutions, particularly in the public sector, and they often lack the necessary furnishings, heating, sanitary facilities, etc. the methods of treatment and rehabilitation practised are generally outdated, and bear little relation to modern psychiatric techniques. There are not enough medical, nursing and ancillary staff, and they often lack specialized training.

<sup>5</sup> See Communication from the Commission to the Council of 29 March 1983, COM(83) 134 final

<sup>6</sup> Resolution on the motions for resolutions concerning the economic, social and vocational integration of the disabled in the European Community in 1981, International Year of the Disabled, OJ C 77 of 6 April 1981, p. 27

<sup>7</sup> Resolution of the Council and the representatives of the governments of the Member States meeting in the Council on 21 December 1981 on the social integration of the disabled, OJ No. C 347, 31.12.1981, p.1

Furthermore, psychiatric services in Greece are centralized and institutionalized. In many districts of the country there are no specialist institutions or doctors for the treatment of the mentally ill, which means that a large number of patients have to be moved away from their home environment.

The treatment and rehabilitation of mental patients takes place in a separate and closed environment which has the effect of increasing their social isolation. One important feature of this situation is the very high mortality rate of mental patients.

Vocational training structures for the mentally ill and mentally handicapped are, moreover, almost entirely lacking in Greece. Quite apart from the adverse consequences for the vocational and social rehabilitation of these patients, the lack of such structures also means that the ESF has practically no impact in this field.

Greece is preparing a major reform of its general health care system. With regard to the mentally ill and mentally handicapped, this reform consists mainly in the development of a new approach and a new system of treatment and rehabilitation administered by decentralized units at local level.

It is envisaged that, while on the one hand existing psychiatric institutions will be modernized and better equipped, on the other hand psychiatric units will be created inside general hospitals, and health centres for the mentally ill will be set up at local level. The aim of this reform is to introduce new methods for the treatment and social integration of the mentally ill and mentally handicapped in Greece.

## CONCLUSIONS

The purpose of the proposed Community financial support is to help Greece reform its system of psychiatric care. This accords with Community social policy for the promotion of the social integration of the disabled, as laid down by the European Parliament's Resolution of 11 March 1981 and the Council Resolution of 21 December 1981.

The proposal under consideration is also intended to increase the scope for intervention by the European Social Fund in a sector where such intervention is limited at present by structural weaknesses. It would therefore help to enable the ESF to play its full role within the Community.

Finally, this proposal, while improving health protection, would also have the effect of ensuring acceptable standards of treatment for a category of patients for whom health care and rehabilitation are extremely important.

For these reasons, the Committee on the Environment, Public Health and Consumer Protection, as the committee asked for an opinion, fully endorses this proposal and recommends that the Commission carry out effective controls to ensure that the funds are used for their intended purpose.

It also hopes that those sections of the Greek population concerned will be properly informed of this contribution made by the Community for their benefit.

