

EUROPEAN COAL AND STEEL COMMUNITY  
EUROPEAN ECONOMIC COMMUNITY  
EUROPEAN ATOMIC ENERGY COMMUNITY

COMMISSION

# REPORT

on the

## Development of the Social Situation in the Community in 1971

(Addendum to the "Fifth General Report on the Activities  
of the Communities" in accordance with  
article 122 of the Treaty of Rome)

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## INTRODUCTION

1971 was dominated by employment problems. Trade and monetary trends upset the rate of expansion and the level of employment. In practically none of the Community's peripheral regions structural unemployment was reduced and this gave rise to the problem of Community solidarity expressed in the Treaties. This is one of the reasons why in June 1971 the Italian Government submitted to the Council a Memorandum on Employment in the Community.

At present the services of the Commission are examining the Italian Memorandum; they are also watching closely the effects of the American measures on employment in the Community.

Finally, the Commission is glad about the renewal of the European Social Fund in 1971 and concerning the setting up in March 1971 of the Standing Committee on Employment whose main object is to facilitate the coordination of employment policies of the Member States by harmonizing them with objectives of the Community.

This is the reason why the Commission decided to devote this Introduction of the Report to the problem of employment, whose importance will have a leading place in the cares of the Community as the outline of the Economic and Monetary Union becomes clearer.

Other problems generally requiring bolder Community decisions than those adopted during the first period of integration are outlined in the brief introductions to each chapter so as to enable a critical study to be made of the present situation and to sketch out the immediate outlook.

### I

The Commission starts from the idea that full employment and better employment, i.e. qualitative employment the best suited to collective well-

being and to personal promotion constitutes one of the major aims of society. In order to achieve this, it is convinced that a voluntary and concerted effort is necessary.

The structure as well as the level or nature of employment are subjected to a process or rapid changes. The events of this evolution as regards both the rate and the distribution of its effects can no longer be held in check at national level without upsetting the harmonious and balanced progress of the whole which represents the main purpose of integration.

## II

Evolution in employment is affected by a number of factors partly connected with the running of the Common Market:

- (i) The implementation of an integrated market and the increased competition it has caused have meant a number of structural changes in the industrial field.

The removal or lessening of major obstacles to internal exchanges has stimulated and re-oriented many activities according to a new distribution of work in the Community and their different elements are increasingly correlated. The distribution of advantages and drawbacks of this reorientation being diversified, it would be fair that adequate Community compensations be found when these difficulties are linked with integration.

- (ii) World competition has increased and the setting up of the Common Exterior Tariff has contributed to the common repercussions on employment. Certain industrial sectors face new difficulties, others, and particularly those with a high technical content of requiring large outlets have known a considerable spurt but have thus become particularly sensitive to international trade trend and to the instability of the market.

A new distribution of work, at World level this time, will result from this course. Its consequences on employment in the Community must be examined and, as far as possible foreseen in view of the delays in re-orientating activities and re-adapting rationally the labour force.

- (iii) The implementation of the integrated market and increased competition at world level have modified the nature and speeded up the rate of technological progress thus affecting deeply the evolution of employment.

On the one hand, an appropriate common industrial policy would better distribute the benefits of this progress through the creation of a larger number of employments in the peak sectors which, in the long run, constitute the necessary bases for the economic and social development of the Community. On the other hand, measures for the harmonization of vocational training at Community level, would facilitate the qualitative adaptation of the labour force to this industrial policy.

- (iv) The continuous increase in the level of well-being inside the Community has altered, in recent years, the character and composition of private consumption. Demand has been increasingly for high quality products, durable goods and services.

New employments have thus been created amongst others in the branches of tourism, of servicing and more generally in the large users of labour force whilst other branches have witnessed a decrease, sometimes quite sharp, of their strength.

- (v) Multinational companies exert an increasing influence on the employment market through investments, the placing of their orders, their localisation and their internal changes.

In the absence of any adjustment factor at Community level, there is a risk of being confronted by a series of divergent attempts to regulate this evolution by Member Countries.

### III

Other phenomena affect employment and their consequence cannot be checked at national level:

- (i) Monetary uncertainty, one of the salient features of 1971, strongly influenced movements of capital, trade and economic life as a whole. It slowed down investments and sales and threatened employment. It is important to note that this instability was due partly to imbalances caused through the evolutions mentioned previously.

Voluntary or spontaneous adjustments resulting from these monetary movements, even within the Community, have not responded to an overall project from a common centre of decisions; yet this has become desirable with the prospects of implementing an Economic and Monetary Union for which full and better employment is the main concern.

- (ii) Decisions taken or announced since the 15th of August 1971 by the American Government have a bearing on employment. The conclusion of an agreement in December 1971 on realignment of monetary parities and the abolition of certain protectionist measures are certainly very important deeds. However, it is clear that the volume and structure of international trade have a marked influence on the levels of productivity and activity, influence which is unequally spread amongst the nations, the regions and the sectors.

Without an active employment policy at Community level, the Member States run the risk of reacting in different ways and of creating thus imbalanced levels; this danger is all the greater when trade trend is uncertain.

#### IV

During the second half of 1971 in most of the Member States a noticeable increase in the number of unemployed was recorded. In the whole Community their number exceeded 2.1 million at the end of 1971 against about 1.7 million at the end of 1970, in spite of persistent inflation.

Unfilled vacancies followed a reverse trend going from 843 000 at the end of 1970 to a little over 600 000 at the end of 1971.

In the light of the prospects outlined for 1972 and in the absence of any overall Community action, a worsening of the situation is to be feared.

What counts will be the measures which will be taken to face increasing unemployment, the size and distribution of which depend on the willingness and ability to act.

Moreover, it is feared that in the present state of things, a slowing down in the migration movement and dismissals of foreign workers will cause the return of these workers to their countries of origin thereby worsening the position of the latter. Such an export of unemployment is not an acceptable solution but on the contrary, it would bring about new difficulties and could be justified neither in a social spirit nor in a Community spirit, especially where citizens of the Member States are concerned.

Pressure on the employment situation thus runs the risk of becoming still more acute in the Community peripheric regions or in those with a single industry, particularly sensitive to a redistribution of activities, to a change in the conditions of competition and to modernization of structures. The Community must, therefore, face important specific unemployment and under-employment.

If it is true that most of the intra-Community migrations have their origins in these regions, it is no less true that these migrations offer only a temporary solution which is insufficient and humanly unsatisfactory; the real problem can be solved in accordance with "equality in progress" only with the cooperation of rational and adequate transfers of resources in industrial capital and investments.

It may even be said that migrations have in some instances made more difficult the pursuit of solutions better suited for unfavoured regions by upsetting local investments and industrialization, particularly through the departure of the younger and more dynamic members.

## V

Faced with this delicate employment situation, it is essential to complete and coordinate at Community level national measures which otherwise could only be insufficient, inadequate or even contradictory. The measures to be taken cannot be limited to overall short-term interventions but must also include structural aspects which, not having been applied in time, worsen the effects on employment of trade trends movements.

The stronghold of full and better employment calls for integral action at all levels. The volume and structure of employment depend on different complementary and inter-related policies.

The Commission has not been inactive in front of these findings. It has presented to the Council proposals of industrial, agricultural and regional policies and it is to be hoped that a quick decision will be taken on these.

The Third Medium-term Economic Policy Programme has shown the importance which employment problems will have inside the Community during the years ahead. They must instigate an intensification at national and Community levels of appropriate structural policies to be put into operation in the shortest possible time since results will not be immediate.

It is with this determination of promoting an overall and integrated policy that the Commission presented in its "Preliminary Guidelines for a Community Social Policy Programme" proposals on employment to be carried out during the first stage of the Economic and Monetary Union for improving the true situation of the employment market, making the data

comparable and harmonizing the methods of forecasting at Community level, for improving levels of qualifications, and absorbing structural under-employment and unemployment.

## VI

The Community already disposes of efficient instruments for implementing this policy, the most recent are the Standing Committee on Employment and the renewed European Social Fund. A third is likely to be added in the near future: the Programme of Activities at Community Level aimed at in the general orientations for vocational training considered by the Council in July 1971.

These instruments encourage concertation, coordination, financial solidarity and a converging evolution on living and working conditions.

The European Social Fund, a catalyser at Community level with the means it has been given can contribute usefully to the implementation of an active employment policy.

This contribution would be still more efficacious if, as is provided for, this instrument should be entrusted with particular missions when the employment situation is affected or is threatened by measures taken by the Council in the framework of common policies or by actions agreed by common accord to further the fulfilment of the Community's objectives.

The Social Fund, whilst compensating for its part the adverse effects of economic growth, must concentrate its main activity to the furtherance of qualification and its adaptation to technological evolution, also to the entry or re-entry of potential labour forces in the economic activity.

The success of this mission implies that public and private initiatives shall be taken, partly financed by the Fund and that they be "orchestrated" in the Member States as elements of a concerted and coordinated policy at Community level every time it seems rational to do so.

To have their full meaning these initiatives must be integrated in a specific programme aimed at remedying causes of instability which affect employment and give place to an "activity" i.e. a concerted action to select, organize and implement as coherently as possible with the help of the interested parties, the means of professional qualification.

An effort in the same direction must be made to develop research on qualification, pedagogy and didactic means and also to make available results obtained in these subjects by European research and information centres or institutes.

Conceived and applied in this way from 1972, activities of the European Social Fund could contribute as much through thoughts and experiences as through financial contributions and common choice of a strategy of qualification at the service of an overall development.

The efficacy of the Fund depends not only on meeting the needs of its specific mission; it is also closely linked with the fulfilment of a Community regional policy.

If this policy is oriented towards satisfying real needs of populations, it must allow, in particular, a better check on migration. Already now a common action in favour of migrant workers is essential. An important improvement in professional training of those workers along the lines of the "Preliminary Guidelines for a Community Social Policy Programme" is made possible through the Fund.

## VII

In conclusion, the integration process has given a European dimension to employment problems vested in their economic and social contexts and, therefore, to their appropriate solutions.

The connection between the numerous problems and the different policies linked with them is an irreversible fact.

Economic and Monetary Union would be almost meaningless if the Community did not put in practice, besides a coordination of general economic policies, efficient policies to correct structural, sectoral, social and regional imbalances.

For its part, the Commission is ready to seek with Member States the means of planning the new impetus and of better sharing out activity in a spirit of solidarity of the Community.

A—Outline of activities  
by the Commission of the European Communities  
in the social field in 1971

## GENERAL

1. The previous year's progress on the social front was consolidated in 1971.

One outstanding development was the reform of the European Social Fund, the implementing arrangements for which were adopted by the Council, thus affording the Community a fresh means of action commensurate with the problems to be tackled. Equipped with this weapon, it will be in a position to take steps beforehand to promote full and "better" (i.e. more efficient) employment in the regions and sectors in difficulties, and deal with the social problems involved by Community policies—a point of the utmost importance for the furtherance of these policies, especially with the impending economic and monetary union of an enlarged Europe.

Employment, in both its quantitative and qualitative aspects, remains an issue very much to the fore. Accordingly, among the more notable events of the year, we should class the initial meetings of the Standing Committee on Employment, which serves as a forum for concerted action between the Council, the Commission and the two sides of industry. Also part and parcel of the process of instituting a full-scale forward policy on employment are the General Guidelines on Training adopted by the Council on 26 July, on the basis of which it is intended to establish a Community action programme to be conducted in conjunction with the redevelopment and readaptation operations and the work of global, sectoral and regional employment forecasting. Another event connected with employment policy was the European conference on occupational rehabilitation and placing in employment of physically-handicapped persons, which highlighted at Community level a problem of steadily-growing urgency. The strictly social aspects of this matter are especially important inasmuch as they are coming to concern directly larger and larger numbers of people, by reason more particularly of danger on the roads.

Another important decision was taken on 14 June, when the Council adopted a new regulation on the principle of coordinating social security schemes for migrant workers, the implementing regulation being then laid before it in July. This will mean that a simplified and improved set of arrangements can be introduced in place of those at present in force: as a result, not only should several million Community nationals be better off, but it is likely that the whole body of migrant workers will be drawn into the process of social betterment as well, and grounds given for wholesome

reflection all round on the comparative advantages of the social security systems.

As concerns safety and health, 1971 saw the adoption of a third research programme on health in mines, to run for five years, and a research programme on mine fires and underground combustion. On 21 June the Council also approved a five-year Euratom research and training programme dealing with biology and health protection.<sup>1</sup>

2. A report entitled "Preliminary Guidelines for a Community Social Policy Programme"<sup>2</sup> was dispatched by the Commission to the Council, the Parliament, the Economic and Social Committee, the ECSC Consultative Committee and the two sides of industry. It was principally intended to provide much food for thought in order to enable a connected plan of action to be progressively worked out for arriving by stages at the "close concerting" of Member States' social policies called for by the Hague Conference of December 1969,<sup>3</sup> in conjunction with the phased establishment of economic and monetary union. In it the Commission, taking its stand on the paramount objects of society—full and better employment, greater social justice and a higher quality of life—outlined an assortment of high-priority operations it considered should form the basis of a Community social programme to be put in hand in the first stage of the advance towards economic and monetary union.

The programme would include the establishment of a true free-movement-based common market for employment, progressive ironing-out of structural un- and under-employment, upgrading of the status of working women, better safety and health conditions both on and off the job, encouragement of the absorption of handicapped persons into normal working life, the institution of a European social budget, and active cooperation by the two sides of industry.

The Guidelines figured prominently in extensive debates and discussions during the year in the Parliament, in the Economic and Social Committee and the ECSC Consultative Committee and with the employers' and workers' associations—the thrashing-out process without which it would be impossible to arrive at a sufficient consensus and secure the all-important political will.

<sup>1</sup> *Journal officiel* No. L 143, 29 June 1971.

<sup>2</sup> *Third General Report*, Annex containing documents on the Summit Conference.

<sup>3</sup> Annex to *EC Bulletin* 4-71.

## SOCIAL ASPECTS OF THE COMMON AND COMMUNITY POLICIES

3. To see that the various ways by which integration is being effected duly match the social considerations involved is a primary aim of Community policy. Accordingly, activities on the social policy side continued to be carried on in conjunction with the other common and Community policies. The more notable developments in this connection included the following.

In agricultural policy, there were the social provisions in the Commission's draft directives on the implementation of structural reforms, introducing aids for farmers wishing to give up their holdings or, alternatively, to operate on an efficient, profitable scale, and also provisions to promote information and training for farmers. Also, an employers' and workers' agreement, prepared with technical assistance from the Commission, harmonizing the working hours of paid employees in the stock-farming sector was signed, and a study was published on the financing of social security in agriculture.

In the transport field, two regulations were adopted modifying the first "social" regulation concerning road haulage (Council Regulation No. 543/69 on the harmonization of certain social provisions in the road haulage sector); a second regulation on this matter is in preparation. An Advisory Committee on social problems in the railways sector was set up alongside the various similar Advisory Committees already existing.

The Commission has stepped up its contacts with the employers' and workers' associations in the different industries in the energy field. While energy policy measures were the main subject of discussion at the Ispra conference in October 1971 with the energy secretariats of the European Confederation of Free Trade Unions and the European Organization of the World Confederation of Labour, a number of social matters were also touched on. The Commission is planning to be in touch a good deal, on a fairly informal basis, with the employers' and workers' associations in the energy industries. In the coal and steel sector, it has carried out a medium-term forecasting operation concerning certain social problems. The General Objectives (Steel) for 1975-80 contain a section on the manpower aspect, with sub-sections devoted to employment and to training, accompanied by remarks on working and environmental conditions generally.

In its work on industrial policy the Commission has sketched the outlines for the restructuring of the textile industry, with aid from the remodelled Social Fund. In regional policy also it is planned that the Social Fund should play a prominent part.

On the economic side proper, 1971 saw the adoption of the Third Medium-term Economic Policy Programme, aimed at balanced development, in which a high priority is given to the broad objectives of social progress—better meeting of communal needs, more intensive efforts to control the undesirable side-effects of growth, greater equality of opportunity, fairer distribution of incomes and assets, and the adaptation of welfare arrangements to the needs of the world of today. On short-term economic policy, the Commission again emphasized that concerted action by the two sides of industry and the authorities should be the order of the day. In the trade and currency field, upon the American Government's announcing its package of measures and future measures in August, the Commission was obliged to consider how these could affect the social situation in the Community. It indicated to the Standing Committee on Employment what the repercussions were likely to be from the employment angle, and at the same time stated that it planned to set up an interdepartmental working party, with experts from the Member States sitting in, to examine thoroughly the impact of the American measures on the level of activity and employment in the different industries in the member countries. This intention was endorsed by the Council on 19 October 1971.

Another *ad hoc* working party on social problems arising out of international mergers and concentrations was meantime set up. Better health conditions and physical conditions generally were the subject of a Commission paper on the Community's environmental policy, proposing the launching of a series of anti-pollution and environmental conservation campaigns. Attention was given to social issues in connection with the enlargement of the Community and the negotiations with the EFTA countries not applying for membership. Social considerations were among the matters dealt with in the Commission's memorandum of 27 July 1971 on aid to the developing countries.

So much for the social aspects of the various other common and Community policies: the following pages give some particulars, under the appropriate heads, of activities relating to social policy proper.

#### ACTIVITIES IN CONNECTION WITH EMPLOYMENT

4. The Commission has given every assistance to the Standing Committee on Employment, with the primary aim of encouraging the concerting and channelling of the various efforts being made in the Community to deal with employment problems. As well as providing the Committee with tabulated information on the current employment position, it put in a

number of documents setting forth practical proposals which should enable the means of action available to be progressively tailored more and more efficiently to the task in hand. These included the working programme of the Statistical Office of the Communities, designed to improve the quality of employment statistics in the years ahead,<sup>1</sup> the General Guidelines for a Community Programme on Vocational Training, and details of the problems involved by the reform of the European Social Fund. In addition, a memorandum from the Italian Government on employment policy in the Community and an account by the Commission of the possible impact of the international monetary crisis on the employment situation in the Six have helped to focus the Committee's attention here and now on practical ways and means for dealing with the present state of affairs. The Commission has set up an interdepartmental working party to consider the implications of the situation for employment with the assistance of the Member States.

In response to the Council's decision of 9 February and its expressed desire to discuss the trend in employment at its meetings on social affairs, the Commission's reports on the employment position were this year more noticeably dovetailed into the preparatory studies for economic and monetary union. The reports are also a response to the wish of the Standing Committee on Employment to review the situation at least twice a year. Accordingly, in 1971, the Commission followed up its twelfth report on this subject by submitting to the Council in November a summary report recapitulating the main changes which had occurred during the year and outlining the expected course of developments in 1972, in the light of the recent American economic and monetary measures.

5. With a view to intensifying employment research and preparing the preliminary draft for a programme on employment forecasting, which is being treated as a high-priority field, an initial exchange of information took place at an in-training period in Erlangen for labour service officials.

Sector-by-sector research is considered of particular value, and a study on employment in banking and insurance is now approaching completion; also, as noted above, forecasts of the employment trend in the steel industry have been worked out and incorporated in the General Objectives (Steel) for 1975-80.

The employment problems arising in respect of particular categories of workers, such as juveniles, women and physically-handicapped persons,

<sup>1</sup> *Fifth General Report*, sec. 581.

have also been studied to enable the Commission to submit proposals for tackling them. In this connection, it has forwarded to the Council a set of findings on juvenile employment and unemployment, which it intends to follow up with an action programme.

Female employment is another aspect with which the Commission has been closely concerned, compiling a study which catalogues the available data on a Europe-wide basis, and organizing a series of discussion meetings. With the aid of the information obtained it hopes to propose steps at Community level to promote better integration of women workers into economic life.

To help keep labour service officials abreast of developments the Commission continued to arrange refresher courses for them; three such were held in 1971.

#### ACTIVITIES IN CONNECTION WITH VOCATIONAL GUIDANCE AND TRAINING

6. In view of the economic, technological, social and educational developments in the Community in the last few years, the Commission has been obliged to revise its thinking on the subject of training. In accordance with the General Guidelines for a Community-level Programme on Vocational Training which the Council adopted on 26 July 1971,<sup>1</sup> it is engaged, in cooperation with the Advisory Committee on Vocational Training, in drawing up a new programme, to be the starting-point for a more active drive to promote training on a Community-wide basis. Founded on past experience accumulated in the context of the Treaties, and at the same time taking account of changing circumstances in the Community, the programme will indicate a set of priorities in regard to training for all grades.

A key point in the programme will be promotion and coordination of training research. Recognizing this to be a very important field, the Commission has set up, in cooperation with the Governments, a working party of heads of specialized training research centres, which held its first meeting on 5 October. The object here is to secure closer cooperation on research, more especially as concerns the priority matters arising in regard to the introduction of a common training policy.

Another important Commission activity in the future will be specific moves for the approximation of levels of training. To explore ways and

<sup>1</sup> *Journal officiel* No. C 81, 12 August 1971.

means for dealing with the problems this involves, the Commission is conducting a survey on training levels, with special reference to the two big new considerations, the changeover to ongoing training and to training conceived on a Community scale.

In continuance of its work for better vocational counselling of both juveniles and adults, the Commission organized a course in Luxembourg at the end of the year for officials of the Government departments concerned, as an occasion for a general review and discussion of the existing guidance arrangements. It also drew up a fourth report on vocational guidance activities in the Member States.<sup>1</sup>

Alongside its other work with the Advisory Committee on Vocational Training—that concerning its new action programme—the Commission considered with the Committee the subjects of training furloughs, training of women, and cadre and instructor training. Two seminars were organized in Turin for training officers in agriculture (19/20 April) and in transport (8-12 November), and a fifth seminar for Latin American company executives was held from 17 May to 20 June, in cooperation with the Advanced Technical Training Centre in Turin.

The Commission also began work with Government representatives on the revision of the first joint programme for promoting intra-Community exchanges of young workers.<sup>2</sup>

## THE SOCIAL FUND, READAPTATION AND REDEVELOPMENT

### *The European Social Fund*

7. Refunds by the European Social Fund in 1971 totalled 56.5 million units of account, broken down as shown in Table 1.

From 1 January 1971, under the Council's decision of 21 April 1970 that the Community should possess its own financial resources instead of being financed by contributions from the Member States, the old system whereby the charges represented by the Fund's disbursements were annually equalized among the Member States in accordance with a special percentage table ceased to apply. The Member States now receive direct, as and when the Commission takes the relevant decisions, the amounts granted to them out of the Fund.

<sup>1</sup> *Fourth General Report*, sec. 126.

<sup>2</sup> *Ibid.*, sec. 127.

TABLE 1

## Aid from the Social Fund in 1971

(units of account)

	For retraining	For resettlement	Total
Germany (FR)	29 630 205.83	159 362.85	29 789 568.68
Belgium	1 530 517.20	1 014.08	1 531 531.28
France	6 165 224.80	—	6 165 224.80
Italy	17 468 856.57	6 234.94	17 475 091.51
Luxembourg	1 204.92	—	1 204.92
Netherlands	1 506 332.90	3 816.40	1 510 149.30
Community	56 302 342.22	170 428.27	56 472 770.49

The total amount applied for in 1971 was 55.6 million u.a., Germany asking in all for 27 million, Belgium 1.5 million, France 6.7 million, Italy 18.8 million and the Netherlands 1.5 million; no applications were received from Luxembourg. Only one million u.a. was applied for in respect of resettlement projects.

The Social Fund appropriations in the Community budget for the financial year 1972 work out altogether at 97.5 million u.a., partly for the old and partly for the new Fund: 55 million is to go on aid from the Fund under Article 125 of the Treaty for projects begun before the implementing regulations concerning the new Fund came into force, 7.5 million on aid under Article 4 of the decision of 1 February 1971 on the reform of the Fund, 35 million on aid under Article 5 of that decision, and 250 000 on pilot studies and experiments effected under Article 7 of the implementing regulation pursuant thereto.

As to the reform of the Fund, the Council, on 1 February 1971, formally adopted the decision taken at its meeting on 26 November 1970<sup>1</sup> concerning the general principles to govern the new Fund, and on 19 October 1971, upon proposals from the Commission, agreed a number

<sup>1</sup> *Journal officiel* No. L 28, 4 February 1971, and *Fourth General Report*, sec. 129.

of implementing acts,<sup>1</sup> which are to effect upon the adoption of a final regulation settling certain administrative and financial details.

8. As regards Community aid for redundant Italian sulphur miners,<sup>2</sup> the Commission made available to the Italian Government in 1971 a further 319 100 u.a., bringing the total so provided to 2.46 million out of the appropriation of 4.2 million authorized by the Council to go towards the reorganization of this industry. The Commission's first report on the paying-over of this aid was submitted to the Council on 18 October.

### *Re-employment and readaptation of workers*

9. In the first half of 1971 only a handful of applications were received from Governments for Community contributions under Article 56(2 c) of the ECSC Treaty; the Commission made available a total of one million u.a. for 1 500 workers affected by closures or partial closures at three collieries. In the second half-year, however, the number of applications rose sharply, especially from Germany and Belgium, where programmes of pit closures have been adopted. In the Netherlands and in France the existing closure programmes are continuing; funds have now been allocated for the whole of the Dutch industry, while in France they are being provided in yearly instalments as the shutdown scheme proceeds. The total amount thus earmarked in 1971 overall was 16 159 970 u.a., for readaptation assistance to 11 083 workers.<sup>3</sup>

This is appreciably less than in 1970, mainly by reason of a decrease in the sums made available for the readaptation of miners in France. It should be noted, however, that the very substantial appropriation for the French industry in 1970 related to a reconstruction programme begun in 1967. In 1971 as before, the great bulk of the Community's contributions went to the coal sector.

The levelling-off in readaptation operations in the steel industry which was observed in 1970 was again in evidence in 1971.

In iron-ore mining there were again no applications for aid under Article 56(2) of the ECSC Treaty. As in 1970, such appropriations as were made were boosters to earlier ones, necessitated by increases in the cost of readaptation.

<sup>1</sup> EC Bulletin 12-71, sec. 32.

<sup>2</sup> Fourth General Report, sec. 130.

<sup>3</sup> See Table 2.

TABLE 2

Readaptation assistance approved under Article 56(2) of the ECSC Treaty  
(1 January — 31 December 1971)

Country	Coal industry		Iron and steel industry		Iron-ore mines		Total	
	Workers aided	Amount furnished (in u.a.)	Workers aided	Amount furnished (in u.a.)	Workers aided	Amount furnished (in u.a.)	Workers aided	Amount furnished (in u.a.)
Germany (FR)	5 852	2 761 612.02	—	—	—	27 322.40	5 852	2 788 934.42
Belgium	—	60 000.00	—	—	—	—	—	60 000.00
France	5 231	5 081 929.14	—	—	—	369 990.96	5 231	5 451 920.10
Italy	—	—	—	—	—	—	—	—
Luxembourg	—	—	—	—	—	—	—	—
Netherlands	—	7 859 116.03	—	—	—	—	—	7 859 116.03
Community	11 083	15 762 657.19	—	—	—	397 313.36	11 083	16 159 970.55

10. The agreements on readaptation procedures underwent no major change, though they were adapted on points of detail to changes in the state of the law or in social conditions in the member countries.

*Redevelopment and re-employment*

11. By its redevlopment work under Article 56(2 a) of the ECSC Treaty,<sup>1</sup> the Commission helped in 1971 to create in all 16 452 jobs, of which 6 650 go on a priority basis to former miners and steelworkers by the terms of undertakings given by the new industries or other agencies in receipt of Commission loans.

TABLE 3

Alternative employment created with Commission assistance in 1971

Country and region	Jobs created	Of these: jobs reserved for miners and steelworkers
<i>Germany (FR)</i>		
Ruhr	5 340	1 840
Aachen	730	150
Saar	2 050	350
	8 120	2 340
<i>France</i>		
Lorraine	647	295
Blanzly area	675	350
Cévennes area	285	150
Loire area	1 485	720
	3 092	1 515
<i>Netherlands</i>	5 240	2 795
Total	16 452	6 650

<sup>1</sup> *Fifth General Report*, Table 8.

On-the-spot soundings indicate that, given the labour reserve remaining in the coal and steel areas, the successor enterprises are managing to cover their manpower requirements without any real difficulty, and generally speaking to abide by their undertaking to engage ex-ECSC workers.

Predictably, the proportion of elderly and diminished-performance ECSC workers among the redundant showed an appreciable increase in 1971. The Commission has been making efforts to secure preferential treatment for these men in the matter of employment, over and above the priority accorded to ECSC workers as such.

### *Reabsorption of workers leaving the land*

12. As the absorption into other employment of workers leaving the agricultural sector is an important part of the common agricultural policy and of the social policy it is seeking to promote, the Commission some time ago launched a survey on the subject in the six Community countries.<sup>1</sup> The findings and proposals set forth in the combined summary report<sup>2</sup> were discussed towards the end of the year with the Governments and the two sides of industry, for the purpose more particularly of preparing the way for any necessary aid from the European Social Fund. Since in its view the problems the process involves can only be properly tackled if the necessary consistency is achieved between agricultural, regional and social policy, the Commission emphasized at the discussions (which are to continue further) the importance of integrated action.

### FREE MOVEMENT OF WORKERS

13. Following the Commission's adoption of the regulation on the right of workers to remain in a Member State after having been employed there,<sup>3</sup> its activities in regard to free movement of workers are now proceeding broadly as follows: firstly, it is making sure that the Community arrangements are properly carried out (the meetings of the Technical Committee on Freedom of Movement for Workers have been largely devoted to this),

<sup>1</sup> *Second General Report*, sec. 397.

<sup>2</sup> *Fourth General Report*, sec. 134.

<sup>3</sup> *Journal officiel* No. L 142, 30 June 1970.

and secondly, it is endeavouring to round them off by making provision for the elimination of certain impediments and inequalities still remaining.

In this connection, it has prepared, after consulting the Advisory Committee, a draft regulation on provisions as to conflicts of laws on labour relations within the Community.<sup>1</sup> In addition, on 6 June, it submitted to the Council a draft directive extending the field of application of the EEC Council directive of 25 February 1964 on the coordination of measures of public order, public safety and public health to include persons exercising the right to remain in a Member State after having been employed there; the European Parliament and the Economic and Social Committee, commenting respectively on 16 December and 28 October 1971, endorsed this proposal.<sup>1</sup>

In view of the increase in the activities of "temporary work" enterprises in countries other than that of their head office, the Advisory Committee is currently preparing, on the basis of a study by the Commission, a draft opinion on possible action at Community level to ensure that these enterprises are not able, by reason of differences in legislation, to evade their obligation *vis-à-vis* workers.

To establish a common employment market and to keep it as far as possible in balance, while duly observing the principle of "Community nationals first", it is necessary to have the intra-Community vacancy clearance machinery operating efficiently. The Technical Committee, in an opinion rendered to the Commission on 1 December, expressed the view that the standardized arrangements drawn up by its Working Party on the Register of Occupations were calculated to facilitate the exchange of particulars of vacancies and application for international clearance purposes. Meantime, the Technical Committee is examining information on conditions at and away from work in the Member States, which it is considered should be regularly exchanged between the different employment authorities and extensively circulated among the workers concerned.

The Commission is also devoting attention to the problems posed by large numbers of non-Community nationals employed in the Member States: it is necessary on the one hand that their presence should not interfere with the employment of Community nationals, and on the other that they should receive equal treatment with the latter in regard to wages and terms of employment. To achieve both these aims it is essential to secure coordination of the Member States' policies on migrant labour. The Commis-

<sup>1</sup> *Fourth General Report*, sec. 135.

sion has accordingly been making a preliminary study of the laws and rules concerning the admission, residence and employment of these workers and the main bilateral recruitment agreements, and is in addition planning to conduct a survey on the terms of employment of the different classes of workers occupied in the Member States.

## HARMONIZATION OF SOCIAL SECURITY ARRANGEMENTS

### *Social security: general*

14. The Commission's work on general social security matters has been marked in the last year or two by a somewhat different approach, which was in evidence in 1971 when preparatory studies were begun with a view to the drawing-up of a European social budget. The Commission was instructed to submit a programme to the Council for the preparation of such a social budget which will be based on the social accounts established for several years now by the Statistical Office of the European Communities.

The Commission some time ago conducted a study on the financial problems of social security, which included projections of social security revenues and expenditures for 1965-70, and a second instalment now in hand, entitled "Trends in Social Security Revenues and Expenditures", will give similar projections for 1970-75. Having regard to the value of this work, the Council, on 26 November 1970, requested the Commission to continue with it.

15. The Commission's various studies on aspects of social security are to proceed as usual alongside these two main assignments. They include in particular the study on social security indicators, the first edition of which has just been issued and which will be brought up to date at regular intervals. In addition there are four sectoral studies, on the financing of social security in agriculture, the effect of colliery personnel cutbacks on social security in the mining industry (approaching completion), and social security for self-employed persons. The Commission is also preparing a report on the personal field of application of social security.

Contributions to greater clarity on the subject of finance in the sickness insurance sector—which is to figure in the social budget—will be provided by three studies on the main items involved here, namely relations between the medical profession and social security, consumption of pharma-

ceuticals under social security (both these studies are now almost completed), and the cost of hospital treatment under social security.

Activity also continued in the field of straight documentation. The existing series of comparative tables on social security arrangements, for the general scheme, the agricultural scheme and the mines scheme in each country, is to be supplemented by tables on the arrangements for self-employed persons (now partly finalized) and on the schemes in the applicant countries. A general recapitulation of social security developments over the past twelve years is in preparation, and in addition there has been the work designed to promote pooling of experience among Member States, notably the compiling of briefs (currently printing) on occupational diseases, and replies to questions from Member States concerning the position under other countries' laws as to particular complaints thought to be of occupational origin.

16. As in previous years,<sup>1</sup> the financial aids furnished by Member States to help meet the claims on the social security schemes in the mining industry were scrutinized for conformity with the Commission's requirements, this time under Article 4 of Decision No. 3/71.<sup>2</sup> The steady shrinkage in the number of actively employed mineworkers continued, as before, to influence the extent to which Member States were called upon to part-finance the payment of benefits.

### *Social security for migrant workers*

17. The general revision of the regulations on social security arrangements for migrant workers, undertaken at the instance of the Commission, culminated, as regards the basic instrument, revised Regulation No. 3, in its definitive adoption by the Council on 14 June (EEC 1408/71)<sup>3</sup> and unanimous agreement on the annexes.

As regards the implementing regulation (revised Regulation No. 4), a draft<sup>4</sup>—which had in fact been prepared in 1968 but had had to be remodelled in line with the provisions and formulation finally adopted by the Council for the basic Regulation No. 1408/71—was submitted to the Council by the Commission on 20 July 1971. The Economic and Social

<sup>1</sup> *Fourth General Report*, sec. 139.

<sup>2</sup> Decision No. 3/65 of the High Authority of ECSC, revised in 1971 : *Journal officiel* No. L 3, 5 January 1971. See *Fourth General Report*, sec. 267.

<sup>3</sup> *Fourth General Report*, sec. 140 and *Journal officiel* No. L 149, 5 July 1971.

<sup>4</sup> *Journal officiel* No. C 102, 14 October 1971.

Committee and the European Parliament pronounced in favour of this draft implementing regulation on 27 October and 19 November respectively, subject to certain suggested amendments concerning which the Commission will deliberate and decide whether to amend its proposal to the Council accordingly.

As instructed, the Commission considered the technical adjustments which the applicant countries had asked should be made to the revised basic regulation by reason of special features in their own social security legislation, which will likewise have to be coordinated in the Community regulations. It duly reported to the Council on 25 November.

18. Before the revised regulations can come into force, however, there is still a good deal of preliminary work to be done, including more particularly the preparation of the Community printed forms, and of such versions of them as may be necessary under bilateral arrangements, to enable workers to assert their claims as effectively as possible in regard to the different risks covered by the regulations. In addition, the decisions and recommendations of the Administrative Committee on Social Security for Migrant Workers will need to be revised, and the information handbooks for beneficiaries in the different Member States completely rewritten. For this latter purpose the Commission plans to request the cooperation either of qualified representatives of the two sides of industry or of the tripartite advisory committee which is to be set up.<sup>1</sup>

It should be added that the Commission's purpose in the draft revised Regulation No. 4 was to make for quicker calculation and prompter payment of benefits to migrant workers. A number of provisions to that effect are contained in the draft, but steps will need to be taken to ensure that they do in fact operate within the time intended. However, it will be difficult to achieve all that could be wished in this direction throughout the Community, given the many and varied sets of social security laws to be coordinated.

19. The Administrative Committee on Social Security for Migrant Workers was obliged to concentrate principally on the consequential adjustments to the draft implementing regulation, which were entailed by the Council's amendments to the basic Regulation No. 1408/71.

20. The Administrative Committee's Audit Board, which, in regard to the revised regulations, was more specifically concerned with ways to expedite

<sup>1</sup> *Fourth General Report*, sec. 140.

the clearing and payment of benefits to migrant workers and their families, has been exploring the subject with experts from the Member States. With the same end in view, a limited exchange of officials from the social security services of certain Member States has been arranged with the Commission's assistance.

21. The Court of Justice in 1971 delivered four judgments on the interpretation of Community provisions concerning social security for migrant workers.<sup>1</sup>

### *Industrial relations*

22. The Commission continued its dialogue with representatives of the European-level trade union and employers' federations.

One notable meeting among many was that held on 30 April to consider a paper providing a general review of trends in social policy in the Community from 1968 to 1971, and recording the activities engaged in by the Commission in this connection in accordance with the priority objectives which all concerned had helped it to work out. This was followed on 15 and 16 July by a broader-based initial discussion on the Preliminary Guidelines for a Community Social Policy Programme.

As a result of the Commission's persevering work to encourage, broaden and intensify relations between trade unions and employers' associations, there took place the first-ever European-level meeting of workers' and employers' representatives from the building industry.

The relations established with the European Trade Union Committee of Teachers were further extended, and contact was continued with the International Confederation of Executive Staffs.

### *Wages and terms of employment*

23. As concerns wages, a progress report to 30 June 1971 on equal pay for equal work as between men and women is in preparation. Its terms of reference have been extended for the first time to include the supplementary social security schemes. In order to take account of the findings

<sup>1</sup> Cases 23-71, 26-71, 27-71 and 28-71.

in its last report as to possibilities for indirect discrimination against women through job classification systems, the Commission has been going into this subject with the help of outside experts.

The study on incomes and assets in the Community countries is about to be issued; it was discussed in detail in March with representatives of the two sides of industry, who gave their backing to the Commission's proposals to the Council for obtaining a fuller statistical picture of incomes not classed as wages. The account of incentives to asset formation by workers has been completed and may be expected to appear in 1972. On this subject the Commission organized meetings with Government experts and with experts from the employers' and workers' associations in order to compare and assess the main features, motivations, problems and results of the different types of incentive provided in the individual countries.

On 15 April the Commission adopted the report on the experimental collation and evaluation of collective-bargaining agreements in the mechanical-engineering and electrical-engineering industries. As the obtaining and sifting of the data had been found to present no serious difficulty, the Commission proposed to the Council that the same work should be done systematically in all sectors of industry.<sup>1</sup>

24. In recognition of the fact that cross-frontier mergers and concentrations pose social problems which ought preferably to be settled at the same time as the legal problems, the Commission is examining the main groups of questions arising before and after merger or concentration.

In the field of labour law, the Commission drew up its final conclusions for the Council concerning, firstly, provisions for the benefit of workers in the event of dismissal, and secondly, provisions for the prevention and settlement of group labour disputes.<sup>2</sup>

The Joint Advisory Committee on Social Problems of Paid Agricultural Workers continued its examination of the implications of the reform of agriculture. It concentrated in particular on practical means for ensuring that the necessary changes could take place smoothly, in a socially acceptable manner, and sought the support of the employers' and workers' organizations represented at regional level. Direct cooperation between the Commission, the Government departments responsible and the employers and

<sup>1</sup> *Fourth General Report*, sec. 142.

<sup>2</sup> *Ibid.* sec. 143.

workers on accident prevention in agriculture was initiated, as the Committee had urged in the Opinion rendered the previous year.<sup>1</sup>

An agreement on harmonization of the working hours of paid workers in regular employment in the stock-farming sector was negotiated between the two sides and signed on 18 May.

The Joint Advisory Committee on Social Problems in the Sea-Fishing Industry rendered two Opinions, one on the general subject of training and improved conditions, and the other on welfare at sea, medical attention and occupational safety on fishing vessels. The Committee also began work on harmonization of terms of employment, basing itself on tabulated information prepared by its *ad hoc* working party.

The Commission completed its consultation of the Joint Advisory Committee on Social Problems in Road Haulage in connection with the preparation of a draft regulation (the "second regulation") to harmonize social provisions other than those covered by Council Regulation (EEC) 543/69, which it hopes to submit to the Council in the near future. The Committee is meantime considering problems in regard to the carriage of dangerous goods, and to the equipment of cabs and bunks on heavy lorries.

The Commission completed its consultation of the Joint Advisory Committee on Social Problems in Inland Water Transport in connection with the preparation of a regulation to harmonize a number of social provisions in this sector, which it also expects to submit to the Council before long.

The Joint Committee on Harmonization of Terms of Employment (Coal) at its meeting in May 1971 adopted a comparative conspectus of the statutory and contractual provisions concerning the welfare of juveniles in the Community coal industries.

The Joint Committee on Harmonization of Terms of Employment (Steel) is considering a proposal by the workers' group concerning the possibility of a European skeleton collective agreement for the steel industry. Two other matters which have been receiving its attention are, firstly, the scale and nature of absenteeism, and secondly, how to tackle the social problems involved by the employment of handicapped workers.

The two committees on the terms of employment of non-manual workers in the coal and steel sectors continued their work, and are currently preparing a report on the principal social problems in these industries.

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<sup>1</sup> *Fourth General Report*, sec. 144.

Agreement was reached between the two sides of the building industry that they should jointly catalogue those labour-relations problems which extend beyond the national framework, as a basis for settling which questions require to be dealt with at national and which at Community level.

## HOUSING

25. A recapitulation of the assistance given over the years down to 31 December 1971 to the building of houses for workers in the ECSC industries shows that in all 115 153 dwellings had been part-financed by that date under the three experimental schemes and the seven major loan-aided schemes, 60% of them for renting and 40% for owner-occupation. Dwellings completed totalled 108 550.<sup>1</sup>

Scheme VII is now under way, with a first tranche of 10 million u.a. from the special reserve of the 1971-72 budgets.<sup>2</sup> After consulting the Ministries and industries concerned, the Commission decided on the apportionment of this appropriation, namely 1.6 million u.a. for the experimental and 8.4 million for the regular scheme. The latter is intended to aid the residential building necessitated by the installation of new coastal steel plants at Fos and Dunkirk in France, IJmuiden in the Netherlands and Taranto in Italy, and to help meet the housing requirements resulting from the restructuring of the steel industry in Germany, Belgium and Luxembourg and the coal industry in Germany. The experimental scheme is for the purpose of research on modernization of existing accommodation.<sup>3</sup>

In response to repeated urgings in the European Parliament to step up funds for the ECSC housing drive, the Commission reviewed the matter at the end of the first half-year, and as a result a further two million u.a. was earmarked for the purpose, bringing the total appropriation for the budgeting years 1971/72 to 12 million u.a. The extra sum will be used for the benefit of migrant workers and of steelworkers at coastal plants, by part-financing the building of hostels, with a combined total of approximately 1 300 beds, for unmarried migrant workers in France, Germany and the Netherlands, and of some 350 dwellings in Southern Italy.

<sup>1</sup> See Tables 4 and 5 and Graph.

<sup>2</sup> *Third General Report*, sec. 347, and *Fourth General Report*, sec. 148.

<sup>3</sup> *Fourth General Report*, sec. 148.

TABLE 4

**Operational position of Experimental Schemes I-III and  
loan-aided Schemes I-VII**  
(at 31 December 1971)

Country	Dwellings financed	of which :		
		in preparation	building	completed
Germany (FR)	79 402	3 016	1 781	74 605
Belgium	6 753	—	438	6 315
France	18 482	63	47	18 372
Italy	6 053	605	560	4 888
Luxembourg	836	5	11	820
Netherlands	3 627	58	10	3 559
Community	115 153	3 747	2 847	108 559

TABLE 5

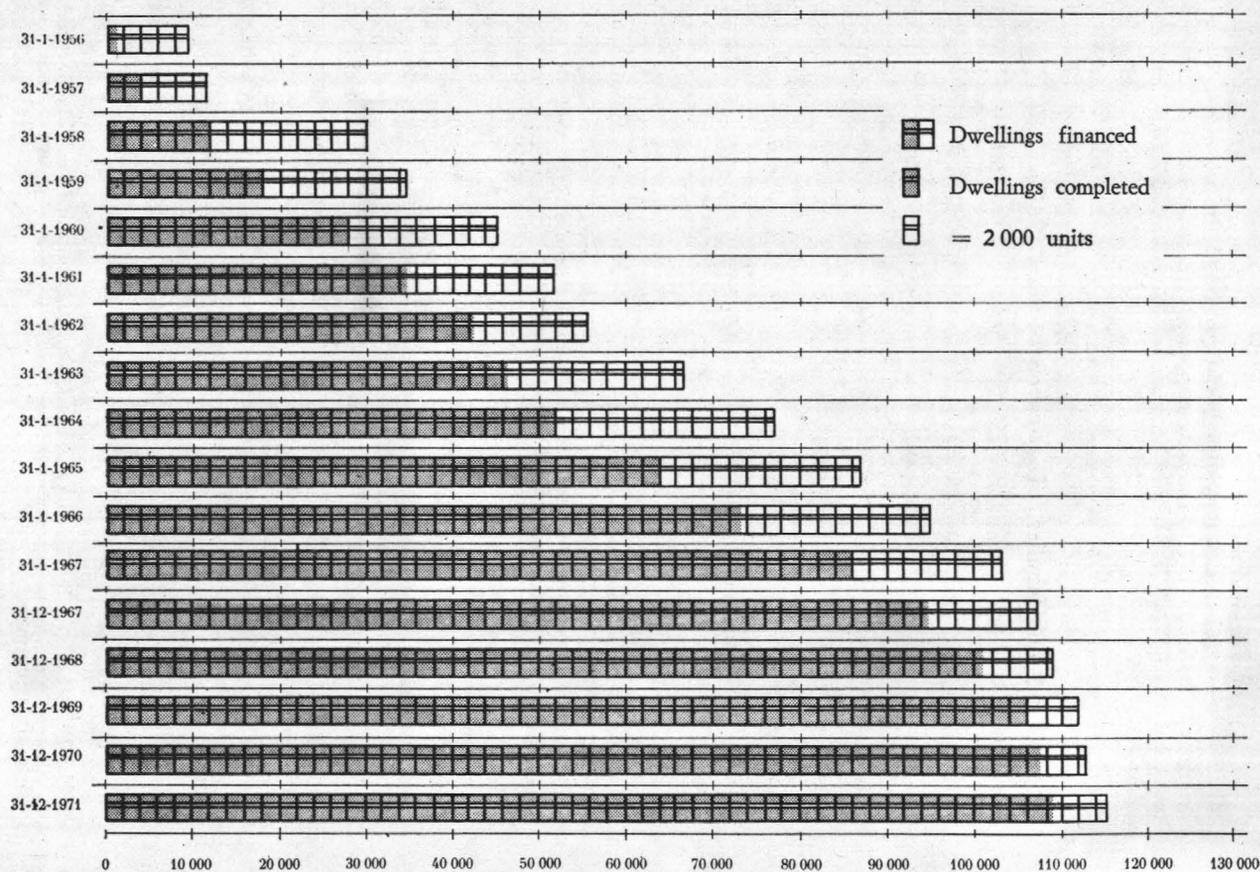
**Financial position of Experimental Schemes I-III and  
loan-aided Schemes I-VII**  
(at 31 December 1971)

('000 000 u.a.)

Country	Commission advances		Additional funds mobilized at Commission instigation	Total amount advanced	Funds from other sources (housing associations etc)	Total cost of accommodation built
	from own resources	from borrowings				
Germany (FR)	51.47	13.24	119.55	184.26	700.17	884.43
Belgium	4.41	19.59	2.30	26.30	26.63	52.93
France	28.59	—	8.73	37.32	136.32	173.64
Italy	9.30	8.04	4.46	21.80	27.74	49.54
Luxembourg	2.31	1.70	0.63	4.64	6.38	11.02
Netherlands	5.95	2.14	6.52	14.61	21.08	35.69
Community	102.03	44.71	142.19	288.93	918.32	1 207.25

Position at:

*Graph*  
ECSC subsidized housing financed and completed



## WELFARE AND FAMILY MATTERS

26. While carefully following welfare developments generally in the six countries, the Commission devoted special attention to the welfare services for migrant workers, in view of all they can do to ensure better background conditions for these men and their dependants. Two new reports are in hand on the implementation in the Member States of the Commission's two recommendations on the welfare<sup>1</sup> and accommodation<sup>2</sup> of migrant workers and their families. They cover the years 1969 and 1970, and, like their predecessors,<sup>3</sup> will be issued to the European institutions and the quarters concerned.

Moves in this connection included the holding of a conference of welfare workers (including Italians) at Egmond-aan-Zee in the Netherlands on 15-17 November, to discuss welfare problems arising out of migrant workers' return to their home countries. In the findings of the conference it was stressed that return—which must of course be just as much a free action on the worker's part as was his leaving home in the first place—should be accompanied by all due safeguards and preparations (necessitating solidarity between the host and the home countries) to allow the workers scope for bettering themselves.

The Commission is conducting a study, with expert assistance, on developments and trends in family policy in the Community countries. In addition, it convened a meeting of officers of COFACE (Comité des organisations familiales auprès des Communautés européennes) to discuss the work of this body in relation with Community activities, and sent representatives to the twelfth conference of European Ministers of Family Affairs, which met in Stockholm to discuss the subject of the "The One-Parent Family".

## COMMON HEALTH AND SAFETY POLICY: THE HANDICAPPED

27. The Commission has taken the first steps towards putting into effect its proposals for helping handicapped persons;<sup>4</sup> the working party set up to prepare a long-term Community programme will be proposing a method and time-table in 1972. The evaluation of the results of the second ECSC

<sup>1</sup> Recommendation of 23 July 1962 (*Journal officiel* No. 75, 16 August 1962).

<sup>2</sup> Recommendation of 7 July 1965 (*Journal officiel* No. 137, 27 July 1965).

<sup>3</sup> Welfare : See III<sup>e</sup> rapport sur les services sociaux (Doc. V/4128/70);

Accommodation : See II<sup>e</sup> rapport sur le logement (Doc. V/7223/70).

<sup>4</sup> Fourth General Report, sec. 150 et seq.

research programme on traumatology and rehabilitation continued.<sup>1</sup> A meeting was held in February on adjustment to the industrial environment, pending further research, and a symposium was organized on 8-9 November on bone degeneration due to inactivity. A questionnaire was sent to the Governments to elicit details of what is being done for the handicapped in the member countries.

Being concerned in addition to encourage an extensive pooling of experience on the occupational rehabilitation and employment of handicapped persons, as seen from the practical, the medical and instructional and the legislative angles, the Commission arranged a European conference—attended by 260 delegates—on 24-26 May in Luxembourg. Following this meeting, it noted that there was a need to organize regular liaison among the persons and bodies dealing with this question.

### *Industrial health and medicine*

28. The research programme on chronic respiratory disease<sup>2</sup> has involved much hard work on methodology. Two treatises were brought out on the standardization of respiratory tests, a seminar was held in Edinburgh on 15-19 November, attended by Community researchers and British National Coal Board experts, on the epidemiological methodology for conducting surveys on chronic bronchitis, and a clinical observation model was developed for use in the rehabilitation of sufferers from respiratory trouble. Meantime, the studies on the correlation between the incidence of pneumoconiosis and environmental factors also continued.

29. In the fields concerned with adaptation (ergonomics, work organization, safety and health precautions, rehabilitation of handicapped workers), the Commission thought it well to leave an interval for the closer scrutiny and appraisal of research results to date before embarking on a further programme. It encouraged the Community research teams on the ergonomic side to extend their activities, both in the steel and in the coal sectors. A seminar was held at IJmuiden in March, at which attention was drawn to the social value of judicious shift apportionment.

The year 1971 was thus mainly devoted to work on specific practical matters (such as personal protective equipment against heat and flames),

<sup>1</sup> *Fourth General Report*, sec. 150 *et seq.*

<sup>2</sup> *Ibid.*, sec. 151.

on the extension in depth of research in industry, and on improvements in technical and psycho-sociological working conditions.

30. A project approved in 1971, on the elimination of nitrous diesel and shotfiring fumes (measurement and scrubbing methods), will complete the second programme, adopted in 1964. A third programme on health in mines, with a grant of 4.5 million u.a., was approved on 28 July, in view of the new dust and other environmental problems being created by technical advances in the equipment used and by the progressive concentration of workings.

31. Under the second programme on control of air pollution in the steel industry, further research was put in hand on measurement of ambient dust and on the de-dusting of a Kaldo converter by a combination of the Venturi technique with a new electrostatic device. Cooperative activities in connection with this programme include work on the harmonizing of methods of measuring pollutant concentrations on industrial premises.

### *Industrial safety*

32. A meeting of directors of national safety establishments in February 1971 was the starting point for a series of fresh activities. Working parties were set up on research, on accident prevention films, safety signs at plants, and training of migrant workers. They are at present engaged in taking stock of the existing position and exchanging information.

Work continued on the drawing-up of agricultural safety rules. In cooperation with experts from the Member States safety rules for the use of farm trailers, powered machinery, threshers and cutters have now been finalized, to facilitate the introduction of appropriate measures in the member countries. The Commission again gave support to the prize contest organized by the Italian national institute for the prevention of accidents, ENPI, for safety devices on agricultural machinery; entries for the contest in 1971 came from France and Germany as well as from Italy.

33. The programme of factory inspectorate traineeships instituted in 1965 was continued, some 40 national officials each being given the chance to study either (1) official approval, authorization and type-checking, (2) safety services in enterprises, (3) the use of cranes and hoists on sites, or (4) materials handling at ports. In addition, discussions were held on safety services in enterprises, in connection with the German parliamentary

bill on the subject. As in past years, close attention was devoted to basic safety requirements in a number of working parties dealing with the implementation of the Commission's general programme for the elimination of technical obstacles to trade.

34. In the mines sector, research was approved on roadway fires and underground combustion, alongside the projects already in hand on the rescue of trapped miners and on trigger barriers.

#### *Steel Industry Safety Commission*

35. Meeting on 18 June, the Steel Industry Safety Commission adopted a statement of views on blast-furnace taphole sealing. It also decided to promote the circulation of the *aide-mémoire* on principles of accident prevention, and adopted its second report.

The annual survey of the Statistical Office of the Communities having recorded a rise in the accident rate in the steel industry since 1967, the Commission held a seminar in Dortmund on 20-21 October on accident prevention in this sector, in cooperation with the German steelworkers' union, Industrie-Gewerkschaft Metall für die Bundesrepublik Deutschland.

#### *Mines Safety and Health Commission*

36. On 26 March the Mines Safety and Health Commission reconsidered its general approach to its tasks in the light of conclusions drawn from accident statistics and changes in operating techniques, and set up three new working parties, on roof control, on mechanization and on ventilation and firedamp. Further studies are being conducted on medical factors in mine health and on the working conditions of migrant labour.

On 25 June the MSHC adopted a recommendation on the combined accident statistics, altering the presentation and extending the coverage, which now includes minor accidents, place of occurrence of accidents and nature and location of injuries. It also took a formal stand on the following:

- (a) Ill effects of salt pastes and powders used to lay dust;
- (b) Action in regard to electric locomotives (reduction of sparking);
- (c) List of rescue specialists and rescue equipment, especially for rescues by large boreholes;
- (d) Tabulation of official provisions and directives concerning mine safety;

- (e) Report on accidents with winding-rope capels and detaching hooks and balancing of ropes in multi-rope systems;
- (f) Fourth report on specifications and testing conditions for fire-resistant fluids in mechanical transmission.

These were then referred to the Governments for action.

37. The board of the Paul Finet Foudation held its twelfth meeting on 8 June. Since it was set up by the High Authority in 1965 the Foundation has made 1646 grants, totalling Bfrs. 12 686 123, to the children of workers in the ECSC industries who died as a result of occupational accidents or diseases.

### *Health and safety (Euratom)*

38. In the field of radiation protection, new provisions on particular points involved in the implementation of the directives laying down the basic standards as to protection of the public and of workers from the dangers of ionizing radiation came into force in Belgium, Germany, Italy and the Netherlands, improving and supplementing the existing corpus of rules on the subject in the Member States.

After consulting the panel of experts set up under Article 31 of the Euratom Treaty, the Commission finalized its proposals for the general revision of the 1959 basic standards on radiation protection, and the procedure for their adoption is now in hand. Much highly complex work has gone into the draft, which takes account of changes in international thinking, more particularly in the International Radiation Protection Commission, on certain aspects of radiation protection and radiation biology, as well as of twelve years' experience in applying the standards in the legislation of the Member States. The Commission devoted particular care to the revision of the radiation protection standards, not only because they needed to be updated but also because a number of principles in regard to the practical organization of the physical and medical control of ionizing radiation are now having to be changed in order to improve on the safety level hitherto prevailing in nuclear activities. Since radiation protection in the applicant countries is based on the same scientific foundations as the Euratom standards, and the Commission has already been in touch with the competent authorities there while the revision of the Community standards was in preparation, the application of the revised standards, on which the Council of Ministers will rule in 1972, does not look like presenting any serious problems in the enlarged Community.

As it has been possible to create a genuine health policy at Community level to combat radioactive risks, the Commission is studying the possibility of applying, by transposition, the principles and lessons of health protection in the Euratom basic standards to other risks associated with or similar to ionizing radiation and non-radioactive pollution. As there are no legal or technical accident prevention schemes at national level for certain new techniques such as laser and maser radiation and microwaves, the use of which is rapidly spreading in industry, research and medicine, the Commission feels that Community action should be taken to combat these new dangers. It has opened the necessary contacts with other international organizations concerned with the same problems.

39. With regard to non-radioactive pollution of the environment, the experience gained by the Community in the field of radioactivity will enable the Commission to put forward a joint plan for health protection measures against the pollution of the air, water, soil and foodstuffs. At the symposium in Rome in September 1971 it was pointed out what new tasks existed in radioecology applied to overcoming radiation protection hazards and to the prevention and control of non-radioactive pollution of the environment. Some guidelines were also laid down for research on the radiation acceptance capacity of the environment, the applications of mathematical models to thermal pollution and the contamination of hydrobiological environments. Priority studies must be carried out at Community level on regions of atmospheric pollution covering more than one country and on international rivers. Three problems stand out because of their urgency: health aspects connected with the presence of lead in the environment, health aspects of mercury discharges in rivers and the resultant contamination of the food chain, establishment of a joint method to study the pollution of the Rhine basin to follow up the lessons drawn from the study on radioactivity in this river carried out by the Commission from 1962 to 1966 and published in 1968.

40. Under Article 37 the Commission must be notified of any project for discharging radioactive substances which might contaminate the water, air or soil of a neighbouring State. So far 64 projects have been examined and motivated opinions sent to the Member States. The examination procedure set up by the Euratom Treaty has proved extremely useful, for it has contributed to better understanding of a difficult problem and to harmonization of the views of the various authorities responsible for health and safety. In this respect Article 37 can be considered as an example, which, if applied to non-radioactive pollution, would facilitate the task of preventing contamination of the environment at international level.

41. The new multiannual research programme adopted in 1971 will enable the Commission to pursue studies concerned in particular with radioecology, dosimetry, contamination of the food chain, toxicology and epidemiology of retarded effects of radiation. To accompany the implementation of this programme—a major pillar of the process for laying down standards—many studies are being carried out on subjects felt to be topical and directly concerned with applied radiation protection.

In the field of information and training in radiation protection, the Commission is at present preparing a study to provide a practical guide for nuclear workers which would enable them to improve their personal protection system. A list of the possibilities of training in radiation protection existing in the Member States has been made available to those concerned with this problem.

A technical harmonization programme in the field of personal dosimetry which also covered neutron dosimetry has continued with the participation of a growing number of national institutes, thus furthering efforts at Community level to improve the quality of measuring methods and instruments.

42. In connection with documentation, mention should be made of the publication of the records of the seminar on information and training in radiation protection and of the seminar in matters relating to the demarcation of the controlled area in medical and university facilities, in research laboratories and in industry around sources used in industrial gamma-radiography, the publication of the records of the seminar on the effects on health of storing radioactive substances at ground level and underground and on the identification of irradiated foodstuffs.

Two studies on particular problems arising from the application of the basic standards in national legislation were completed and are being published. The first is the result of a critical analysis of the application of Euratom radiation protection standards to the transport of radioactive substances within the Community countries, and the second a comparative study of control and information in the Member States concerning radioactive substances not subject to prior notification and authorization (application of Article 4 of the Euratom basic standards). Two other publications which should be mentioned are a summary of the position reached in applying the basic standards in the Member States' regulations and the results of a programme of inter-comparison with gamma body-counter.

**B—Development of the Social Situation  
in the Member States in 1971**

## CHAPTER I

### EMPLOYMENT

*In 1971, the employment market slackened off in most of the Member States. This is shown by an increase in unemployment, a reduction of the actual duration of work and an unwillingness on the part of companies to hire labour.*

*Since the text of this chapter is based on employment evolution during the first half of 1971, the following Table is aimed mainly at outlining recent evolution.*

#### Development of unemployment in Member States

	End 1970	End 1971
<i>Belgium (Dec.)</i>	87 200	90 000
<i>Germany FR (Dec.)</i>	175 100	269 800
<i>France (Nov.)</i>	318 700 <sup>1</sup>	394 900 <sup>1</sup>
	375 000 <sup>2</sup>	521 000 <sup>2</sup>
<i>Italy (Nov.)</i>	973 900	1 056 000
<i>Luxembourg</i>	—	—
<i>Netherlands (Dec.)</i>	66 600	114 500

<sup>1</sup> Seeking employment.  
<sup>2</sup> Estimates.

*Compared to the previous year, this Table shows that the number of unemployed increased sharply, rising from about 1.7 million at the end of 1970 to more than 2.1 million at the end of 1971.*

*The increase in total unemployment is stressed sharply by a considerable rise in partial unemployment; the number of enterprises which as a result of trade trends had to reduce working hours has grown. In Germany, the number of workers whose hours of work have been reduced was 95 000 in November 1971 against 18 700 in November 1970; in Italy, the "integrated" hours during the period January-November 1971 totaled 186 million whereas they had been nearly 62 million over the same period of 1970. In the Netherlands, working hours lost as a result of trade deterioration was 181 000 in October 1971 against 15 000 in October 1970.*

*In this chapter, reference is made to the various measures taken or considered by Governments of Member States with a view to improving quantitatively and qualitatively the employment situation. There is no doubt, however, that national solutions are only partial. The reasons for the deterioration in employment are many and most of them go beyond national boundaries, hence the necessity of finding adequate solutions at Community level.*

*In view of the deterioration in employment in the Community as a whole, the general introduction of the present Social Report is devoted entirely to an approach seeking to solve the problems within the bounds of the Community.*

## TOTAL POPULATION

1. On 1 January 1970 the Community population was 189 million, it reached 190.5 million at the beginning of 1971. In relative terms the variation compared to the previous year was + 0.8%.

2. As in practically all European countries, the Community population is characterized by a progressive ageing and especially by a sharp increase in the age group of 65 and over for women.

The tendencies of fecundity on the other hand are characterized by a continuous decrease even though women marry younger than before and they are frequently less sterile. The result of these facts is not an increased final fecundity of couples but births are concentrated more or less at the beginning of the marriage.

3. The Second European Demographic Conference organized in 1971 by the Council of Europe set itself the task of ascertaining the political, social and cultural implications of the evolution of European population structures. It seems interesting to recall some of the findings.

In the face of a phenomenon of ageing population, of variations in the group of persons aged 65 and over and of inactive age groups the Conference has stressed, on the one hand, the problem of the level of pensions, of their make-up and the charges to be born by the assets and, on the other hand, the problem of planning homes in relation to the increase in the number of aged people.

On the decreasing tendency of fecundity, its foreseeable incidence on the balance of offer and demand in the labour force and the financial costs inherent to an aged population must not be lost sight of.

On the other hand the two factors, female work and lowering of fecundity being interrelated, the Conference stated that it was in the general interest to ensure the well-being of the family but that it was also a "duty of society to ensure to all the same facilities for work and, as a consequence, not to place women with family commitments in far less favourable conditions concerning access to remunerated employment and professional promotion".

Demographic and social structures of international migrations have also been examined. The experts stress the necessity of "establishing a

clear distinction between social policy and population policy". The experts found that 75% of migrant workers were men, mostly unmarried. It was shown on the other hand that when migrants return to their original regions they go back to their trade whereas they had been recycled in the countries they emigrated to and so they lost the benefit of their trade qualification.

The Conference recommended that Governments should encourage industrial, social and cultural promotion of migrant workers. Having noticed a deficiency of information on reintegration of migrant workers in their country of origin, it was recommended that specific enquiries be made on this problem.

## ACTIVE POPULATION

4. The sounding survey on the labour force in 1970<sup>1</sup> shows that, in the Community, 38 inhabitants out of every 100 have a main trade. In Germany and in France the proportion is slightly higher; 39 and 41% respectively; it is lower in other countries, particularly in Italy (35%).

5. About half the employed persons are between 24 and 44 years of age; about 17% are less than 25 and 3% work beyond the age of 65. The proportion of young people in the total employed population is particularly high in France and in Luxembourg (about 19%).

In Italy, approximately 37% of young men between the ages of 14 and 19 are active; there are only 35% in Luxembourg, 33% in France and respectively 22% and 21% in Germany and Belgium. The rate of activity of young girls in this age group is generally lower than for men, except in Germany (27%). In Belgium it is 19%, in France 25% and in Italy 28%.

Between the ages of 60 and 64, 65% of the men and 33% of the women are still active in France, 72% and 18% respectively in Germany, 67% and 8% in Belgium and only 47% and 9% in Italy; it should be noted that in the latter country the retiring ages are 60 for men and 55 for women.

<sup>1</sup> This Survey followed the one by sounding carried out in 1960, 1968 and 1969. See the Report on the Development of the Social Situation in the Community in 1969 and 1970. It should be recalled that the Netherlands did not participate in this survey in 1969, nor in 1970.

6. Most of the unemployed persons are wage-earners: 77% for the whole Community. The percentage is as high as 83 in Germany and only 69 in Italy.

In the Community about one wage-earner out of every three is a woman and amongst these one in two is married. It is in France that the proportion of women in the wage-earning population is the highest (37%), it is followed by Germany (32%) and Belgium (28%). On the other hand in Luxembourg women represent only 22% of wage-earners.

7. In the whole Community out of 100 persons employed 12 work in agriculture, 45 in industry and 43 in services. Differences between the different countries are also prominent: agriculture employs 20% of the active population in Italy, 12% in France and in Luxembourg, 8% in Germany and only 6% in Belgium.

Women are particularly numerous amongst agricultural wage-earners in Italy (29%) and in Germany (25%), moreover, in Italy over two-thirds are married.

Where services are concerned, they give employment to about 48% of the active population in France, Belgium and Luxembourg, 41% in Germany and only 37% in Italy.

It is in France that the proportion of women amongst wage-earners in services is the highest with almost 50%; more than half are married.

## EMPLOYMENT AND UNEMPLOYMENT

8. Uncertainty at monetary level, a slowing down in economic growth and continued heavy pressures on costs and prices, these are in the autumn of 1971, the main concerns of the Community.

The renewed activity in World trade during the first half of 1971 did not impart a new impetus to Community exports to non-member countries. On the other hand, the measures taken or announced on 15 August by the American authorities particularly the insecurity as regards currency parities had a slowing down effect on the progress of Community exports during the second half of the year.

Internal demand of the Community increased less rapidly in 1971 than the previous year. Private consumption still showed a considerable

increase but its tendency is to slow down; this has been particularly noticeable where the gross make up of fixed capital is concerned, the tendency to invest in enterprises being weakened by the heavy incidence of higher costs on profit margins and by the less favourable outlook of the economic evolution.

Throughout the year and more so towards the end, the labour market eased in all the Community countries; it has seen in particular an increase in unemployment and a reduction in unfilled vacancies. Moreover hours of over-time have been lower and partial unemployment has increased. The number of school-leaving young people seeking employment tended to rise. Hiring of foreign workers was lower, particularly in Germany. However localized shortage of labour, sometimes acute, has persisted, especially through a scarcity of skilled labour.

9. The Governments of Member States adopted or strengthened measures aimed at maintaining the best level of employment bearing in mind the foreseeable consequences on it of the economic trend.

The Belgian Government for instance relaxed the aptitude conditions for participating in the stages of industrial training and provided for the reclassification of workers whose aptitudes are limited. Other measures deal with the integration of handicapped workers and particular measures are provided in favour of young workers, particularly young women, their unemployment being attributed in certain regions to insufficient qualification.

In Germany an active employment policy strengthened by the application of the law on work promotion (*Arbeitsförderungsgesetz*) was adopted; it provides a possibility of compensating changes in economic trend on the labour market. Efforts were pursued in regard to regional and sectoral structural policy. Important financial means are available in case it should prove necessary to contribute to a renewal of economic activities.

In order to put in practice an active employment policy, the French Government has further developed the administrative and financial means in order to dispose of powerful and efficacious instruments such as the National agency for the employment and vocational training of adults; moreover, in view of obtaining a better coordinated action of the public authorities, an Inter-Ministerial Committee on Employment was set up in 1971.

In Italy a series of special measures were adopted to promote new investments in industry, commerce and local handicrafts. Other measures

are under consideration to promote structural changes, the industrialization of the South and for setting up industries using advanced techniques capable of creating employment of labour and skilled workers.

Luxembourg expects to maintain its recourse to immigration and continues its endeavours to improve its information regarding demand on the labour market so as to adapt employment policy to economic and social realities. Measures for accelerated trade skills for their own and foreign nationals are contemplated.

In the Netherlands various measures were adopted or announced. One of these aims at the setting up of a special fund which would operate in case of economic recession. A further action consists of encouraging firms to engage workers of 50 years of age and over by subsidy grants amounting to 35% of the wage bill.

### *Evolution by countries*

#### *Belgium*

10. In spite of a fairly sharp slowing down in foreign demand, economic activity in 1971 remained buoyant as a result of sustained internal demand. Although some shortage of labour appeared in some localities, the overall tendency towards a slackening off in the labour market was accelerated during the year.

11. The reabsorption of unemployment which in 1969 occurred at a rapid pace, slowed down slightly in 1970 and more markedly so in 1971. Since the middle of the year the number of unemployed in some occupational groups who draw benefits increased, compared with the previous year and more particularly so amongst men with normal skills.

The evolution of unemployment in the present economic trend shows that the number of women unemployed increases in the same proportion. Amongst unemployed women with normal working skill the number is higher, particularly since April 1969, than the number of men in the same category. Unemployed women of this group are the main reserve of the working force. This phenomenon has but a relative significance, it is caused through female unemployment having lagged behind that of men in a comparable category. The reclassification of unemployed women meets with a series of difficulties amongst which is insufficient qualification and

the poor propensity to occupational and geographical mobility. Never the less the number of unemployed women with normal skills has regressed in recent months except for those below 20 years of age. On the other hand, since the middle of 1971 for men in the same category there has been a sharp rise compared with the previous year, the rise is however restricted to certain particular occupational groups.

Regarding the unemployed with very limited skill, their numbers increase continuously, particularly in the case of men of 50 and over whereas the increase is not so noticeable for women in the same age group.

As in previous years the highest levels in absolute figures were again recorded in the provinces of Liège and the Hainaut followed by Brabant, Antwerp and East Flanders. Two provinces found their level of 1964: Antwerp (status quo) and East Flanders (slight fall). Compared with last year unemployment has regressed only slightly or not at all in most of the other provinces. Only Hainaut has recorded a relatively sharp regression whereas West Flanders had a slight increase without however affecting the favourable position of this province.

12. In 1971 an important reduction in requirements of the labour force was seen which presupposes that the tensions have been sharply released on the labour market compared with 1970. In relation to the previous year, vacancies were reduced almost by half.

13. Needs in foreign labour during 1971 were estimated at between about 8 000 and 11 000 workers, mainly for the metal sector, building and lumber trade and for the service sector.

### *Germany*

14. Faced with a slower rate of growth in demand, particularly of investments and in spite of a well maintained level of consumption, increase in production should be inferior to that of 1970.

The trend towards a certain relaxation, signs of which were already visible in 1970, were confirmed in the labour market. They resulted in a reduction of vacancies and an increase, at the moment still very modest, in unemployment. Yet, at the end of August 1971, there were still 4.5 vacancies for every unemployed person.

15. The number of unemployed at the end of January 1971 was about 286 000, at the end of June 1971 it had dropped to 135 200 (against only 94 800 the previous year). The rate of unemployment has thus dropped from 1.3% at the end of January to 0.6% at the end of June (against 0.4% the previous year). At the end of July 1971 the number of unemployed rose again to reach about 141 900 (against 98 600 the previous year), with the rate of unemployment rising to 0.7% against 0.5% the previous year).

Amongst other activities the increase in unemployment has manifested itself particularly in metallurgy (+ 5 700), textile (+ 4 000) and in the electrical sector (+ 3 500). At the end of June 1971 there were more unemployed in metallurgy, the electrical sector and assembly than the previous year, in fact their numbers had more than doubled (+ 126% or + 12 200). The percentage increase compared with the previous year in the building and equipment trades (+ 31.2% or + 3 800) and unskilled labour (+ 31% or + 3,100) was also important.

In view of the unfavourable economic trend partial unemployment rose sharply in 1971, particularly so towards the end of the year (see Introduction to this chapter).

16. Labour requirements—less important on the whole than the previous year—were more noticeable in trades susceptible to economic trends. At the end of June 1971 vacancies occurred mainly in metallurgy (29.2%), electricity and connection (26%), transports (26%) and the building trade (12.2%); these figures were lower than those for the previous year. As regards the increasing qualification of labour, the number of vacancies for unskilled workers, at the end of June 1971, had decreased by half compared with the previous year (—7 000).

17. During 1971, the number of foreigners working in Germany continued to rise; from 1.96 million at the end of January 1971 it went to 2.17 million at the end of June 1971, in fact one worker in ten in Germany was a foreigner. During the first half of 1971, a total of 121 600 foreign workers of which 26 800 were women found employment; this represents however about 41 400 quits or 25% less than during the first half of 1970.

This total number of foreigners having found employment is broken down into 42 400 Yugoslaves, 33 600 Turks, 16 500 Greeks, 16 000 Spaniards, 8 200 Portuguese, 3 200 Italians and 1 700 Tunisians.

Likewise, at the end of June 1971, 75 600 additional vacancies were notified to the labour exchanges abroad by the Federal office. This number was lower by almost 20 000 units, or 20% to that of end June 1970.

#### *France*

18. Under the stimulus of the expansion in domestic and foreign demand, industrial production made further progress at the end of 1971. The increase in total employment is estimated at 1.3% and that of wage earners at 2.3%, immigration of foreign labour continued at a slower rate however.

Compared with the evolution in the employment situation during the whole of 1970, that of the first half of 1971 confirms a number of overall tendencies and the number of vacancies at the National Employment Agency continues to rise. This is shown by tests carried out by this Agency. Moreover there is a slight increase in total numbers engaged in industrial and commercial enterprises.

For the first half of the current year, information indicates however that tendencies which appeared during the second half of 1970 are strengthened: a gradual decline in partial unemployment sensitive to economic trend accounted for by the revival in most of the consumer goods industries, particularly textiles, clothing, leather, pelts and shoes; demand for foreign labour slowed down due to a regression in the building trade and public works.

19. Although at the end of June 1971, it reached 310 700 units—a level close to the one at the end of 1970 (309 500)—the number of vacancies, corrected for seasonal variations, has nevertheless undergone during the first half fairly sharp variations in the opposite sense. In January, it increased considerably to reach 323 000 units; then from February till May it fell sharply to reach 308 100 units. As from June it was again on the increase and the number of vacancies at the end of October touched 377 100.

20. The number of non-seasonal vacancies increased continuously from early 1971, passing from 92 000 units (end December 1970) to 114 700 (end March 1971), then to 133 600 (end June 1971). During the second half it was slightly lower and stood at 126 800 at end October 1971.

The ratio between offers of employment and demand of employment was 0.29 at the end of the previous year, it then rose to 0.43 at the end of June 1971 and fell back to 0.34 at the end of October.

Although the evolution of these statistical data should be interpreted with the greatest reserve due to the incidence—especially of the level of offers of employment—of the development of forecasts by the national agency of employment, it seems nevertheless that the situation of the labour market tended to improve during the first half of 1971. On the other hand, the second half has shown an increase in unsatisfied demand due mainly to the massive arrival on the labour market of school leavers. Indeed, the number of applicants less than 25 years old represents three quarters of the total increase in non satisfied demand for employment from June to September.

Nonetheless, the dominant feature of the labour market remains, as in 1970, the important imbalance represented by the coexistence of a large number of unfilled demands and offers of employment.

The disparity between the number of unfilled offers and demands of employment remains very important in Lorraine, Alsace, Franche-Comté and Burgundy. In these regions the number of offers even exceeds demand in some cases.

In Brittany, Aquitaine, Languedoc-Roussillon and Provence-Côte d'Azur the relation is reversed and the number of unfilled demands is five times higher than vacancies.

21. Taking into account the increasing percentage of departures by foreign workers, especially during the first two years of their stay in France, and the relatively important rotation of this labour force, the number of new entries of permanent workers during the first ten months of 1971 was 116 000 (this figure does not include the Algerian labour force), destined mainly to the building and public work sectors, production and processing of metals, agriculture and forestry.

Finally, the needs in seasonal labour have led to the engagement of 135 000 temporary workers.

### *Italy*

22. Economic activity in 1971 slowed down compared with the previous year. Indeed if foreign demand tended to expand, internal demand diminished particularly as regards investment outlays.

In 1971, progress in overall productivity should be only fractional and amount to a little over 2.5% as against 4.6% in 1970.

23. Analyses of the evolution of employment in Italy give divergent results. Whereas the Commission Services forecast for 1971 an increase of 1% (1970 = 2%) in the total number of active persons and a progression of 3% in the unemployment rate, the Italian Ministry of Labour indicates that the two soundings of January and April show on the whole an increase in the number of active persons compared with 1970 but reveal a less favourable situation in the light of a more thorough analysis.

According to the sounding of April 1971 the number of persons actively engaged in agriculture increased by 113 000 compared with the same period of 1970. This increase does not indicate however a reversal in the regression trend of the past ten years but is a consequence of Law No. 83 of 11 March 1970 which reorganizes the placing of the labour force in agriculture.<sup>1</sup>

In industry, the number of active persons rose by 64 000 but this is the result of an increase of 310 000 in the number of part-time workers (duration of work not exceeding 32 hours weekly) and a regression of 272 000 in the number of full time workers (+ 38 000). To this must be added 26 000 not actively engaged during the week of the sounding.

In services, the number of active persons decreased by 41 000; the number of under-employed increased by 88 000 and those seeking employment increased by 28 000 (—6 000 looking for their first employment, + 34 000 unemployed).

24. The increasing number of those seeking work confirms the unfavourable evolution of the employment situation during the first months of this year, during the first five months of 1971 it stood on an average at 1 081 085 representing an increase of 21% compared with the average for the same period in 1970. The increase is due mainly to the high number of those seeking employment in agriculture for reasons already mentioned.

Another sign of deterioration or stagnation in industrial employment during this year is the recourse to the "Cassa integrazione guadagni" (Wages Equalization Fund for partially unemployed) which increased six-fold compared with 1970; the building sector and activities connected with it, the textile industry, mechanical construction, clothing sectors and the different branches of processing have drawn heavily from this fund.

<sup>1</sup> According to the Professional Organization for Agriculture, this increase of 113 000 active persons would be largely constituted (94 000) by independent workers and family helps.

25. The labour force available to fill vacancies in other Member States of the Community in 1971 has been estimated at 80 000 of which 16 000 are skilled workers and 20 000 specialized workers, the remaining 44 000 being unskilled.

### *Luxembourg*

26. Economic growth slowed down compared with 1970, due particularly to a sagging in foreign demand.

During the first half of 1971 the employment situation was stable and favourable, in broad outline it resembled that of last year. In spite of certain differences from one sector to the other, the equilibrium between offer and demand caused no serious problem if one excludes the increasing difficulty in finding abroad the labour force required by the Luxembourg economy. Indeed, the needs in labour force remain important and can only be covered by intensive recruitment abroad. It is worth noting that there is an increasing number of frontier workers coming from France and from Belgium.

Social security statistics indicate for the first half of 1971, an effective progression in employment of more than 2 800 workers compared with the previous year; these are mainly foreigners.

27. Two small chemical and one textile firm reduced their production. With generally favourable prospects of employment, workers released by these companies found easily another occupation but occasionally some distance away from their domicile or, on the spot, at a reduced wage.

28. Recourse to the foreign labour force during 1971 has been estimated at about 6 400 persons. The main demand comes from the building sector and civil engineering, followed by processing industries and metallurgy.

### *Netherlands*

29. A slight slowing down in economic activity was recorded this year even though the expansion in household demands remained strong. The easing in the employment market at the end of 1970, particularly in the building sector continued, due mainly to the efforts of rationalization applied by enterprises so as to face higher costs of production. The rate of increase in investments has slowed down noticeably.

The total strength of active persons should increase only slowly, i.e. about 0.5% and the rate of unemployment is expected to reach 1.7%.

30. After a favourable evolution of employment in 1969 and an increase of 54 000 units during the first half of 1970 in the total strength of active persons, easing appeared from the middle of last year.

In the building sector the total number (corrected for seasonal variations) of persons seeking employment continued to increase from early summer whereas it remained about constant in the other trade groups; the situation of the employment market was affected only by normal seasonal fluctuations. The number of workers occupied in social assistance projects and considered as seeking employment also receded continuously whereas the number of real unemployed increased slightly so that the labour force reserve on the whole augmented rather than decreased. During this period demand for labour again increased in most of the provinces.

31. Since early 1971 the slackening tendency in the employment market has generally deteriorated. The labour force reserve increased till end August 1971 to 70 000 units whilst vacancies dropped to 105 000. The re-establishment of the employment market equilibrium was observed particularly for men in all provinces and in all sections of trades whereas the evolution for female workers took a less regular aspect. After August 1971 the situation in the employment market deteriorated more rapidly. Since then, the labour force available continued to increase and reached about 90 000 units at the end of November 1971; at that time vacancies dropped to 83 000 units. Such a relationship between offer and demand has not been seen since 1968. The only group of trades which showed a surplus offer of employment was in the metallurgical sector.

A reliable economic trend indicator is the proportion of building trade workers in the total reserve of the labour force; this proportion has grown between November 1970 and November 1971 from 15 to over 25%.

On the whole the needs for young workers of the 14 to 18 age group was important though inferior to previous years. In 1971 the number of young people entering active life was well below the level of 1970 due mainly to the raising of the school leaving age set up last August. Consequently the offer in the national labour force will practically not exceed that of 1971.

32. The Government of the Netherlands follows closely the repercussions this evolution might have on certain regions and on certain categories of active persons. Experience shows that a lessening of tensions in the employment market affects to some extent certain regions of the country and certain categories of the active population.

33. The requirements in labour force for 1971 will remain above those of 1970 and have been estimated at 26 000 workers of which 10 000 for metal production and processing.

### EVOLUTION IN EMPLOYMENT IN THE ECSC INDUSTRIES<sup>1, 2</sup>

34. Reductions in the overall labour force in the ECSC industries continued during the budgetary year 1970-1971. Indeed, the reduction recorded on 30 June 1971 amounted to 11 500 persons against 15 100 for the previous budgetary year (1969-1970). As in previous years, however, the continued shrinkage in coal mines is compensated to a small extent by a slight increase in the steel sector. This statistic, reflecting a relatively satisfactory economic trend in the steel sector during the first half of 1971, gives a picture which unfortunately has been surpassed by today's economic trend (October 1971) and that which is foreseen for the second half of 1971 and even the early part of 1972.

#### *Coal mining*

35. The labour strength of the Community collieries which was 434 700 workers on 30 June 1970 has again decreased but to a lesser extent than in previous years and stood at 422 500 on 30 June 1971.

<sup>1</sup> Apart from the Commission's Annual Reports on problems of labour in the Community or on the general situation of the coal market already mentioned in the *Report on the Development of the Social Situation in the Community in 1970*, mention must be made this year of the *Memorandum on the General Objectives of the Community's Steel Industry for the years 1975-1980*, presented to the Consultative Committee of the ECSC. See "Steel and Coal" provisional programme *Journal officiel*, No. C 109, 27 October 1971.

<sup>2</sup> See appended Statistical Tables. See also the publications by the Statistical office of the European Communities in the series "Energy" and "Steel Industry".

36. The most salient feature this time is the very slight increase (+ 1 400 workers) recorded in Germany but which is in sharp contrast with the reduction experienced everywhere else and with that observed in Germany during previous years. It is only the Ruhr basin which in any case is increasing its labour strength (+ 2 200 workers) thus reaching 197 100 workers. Prospects are completely different in the medium term, according to the "adaptation plan" (*Gesamtanpassungsplan*) of Ruhr collieries made public by the Ruhrkohle AG in June 1971. This plan aims at a reorganization and rationalization of coal production. The medium term outlook for production which in 1970 amounted to 84 million tons of coal from 52 pits would be reduced in 1975 to 81 million tons and 8 or 9 pits would be closed whilst 6 or 7 would be concentrated. Repercussions on employment should be relatively small in spite of the volume of workers affected (24 000 of whom 17 000 underground and 7 000 above-ground between now and 1975), thanks to the possibility of organizing and planning the personnel policy. By transferring miners affected through pit closures and a disengagement of workers for a number of reasons (age, nationality, etc.) the plan which in other respects stresses the necessity of keeping open the possibilities of recruitment through improved working conditions, is expected to be able to ensure such reduction in labour strength without difficulties. Such expectation seems to have some foundation as regards underground miners if it is realized that there has been an 11% rotation in the strength i.e. 11 000 in 1970; on the other hand several queries arise, as recognized in the plan, concerning employees, technicians and above-ground workers, in that such staff is frequently made up from previous underground miners and has therefore a higher average age and a lesser aptitude for work.

The location of the anticipated closures in the center of the Ruhr (Essen, Bochum, Gelsenkirchen) coming on top of the massive ones of the 1967-1968 recession, the effects of which at the level of industrial employment have still not been compensated, causes a serious problem of regional policy.

37. In Belgium as in previous years, it is the Southern coal fields which carry the heaviest load of regression (—2 900 workers against — 400 in Campine). Belgium now has only 37 000 workers in its coalfields of whom 23 800 are underground miners.

In January 1971 the Belgian Government adopted a 1971-1975 coal programme based on a project prepared by the Coal Board. The production aimed at for 1975 is 9.1 million tons of which 6.8 (against 10.1 in 1964) in Campine and 2.3 million tons (against 11.1 in 1964) in the Southern

fields. If this programme consisting essentially of a calendar of cessation of subsidy payments is fulfilled, the staff (underground and above ground) employed which was 37 900 at the beginning of 1971 would be reduced to about 23 000 in 1975. Also in this case there remains the need for recruiting, but as underlined by the Belgian authorities, priority of recruitment will have to be given to miners affected by anticipated pit closures.

38. In France the drop is smaller this year (—8 500 workers) than in 1970 (—12 800); in relative value it is as important in the Nord-Pas-de-Calais as in the Centre-Midi. In total, the number of registered workers on 30 June 1971 was 112 700 of which 60 200 underground workers.

Also in France and for similar reasons and after consultations with the trade union organizations, in the spring of 1971, the Government re-examined the outlook for the coal industry and consequently adopted certain measures. The Government also stated that it proposed to pursue the conversion policy and the industrialization of the coal fields, having particularly in mind the employment of young people and the reduction of female under-employment which is too frequent in mining regions. The desire to avoid an outlook which is too "corporate" or too narrowly "industrial" seems to be fully justified by this observation, since experience shows that an important reclassification is carried out by individual action and put into effect outside the enterprises converted as such.

39. In Italy the same state of near stagnation persists at a very low level since the effective total strength is of 1 500 workers (—100).

40. In the Netherlands the reduction is decidedly less marked (—1 900) than in previous years; the total effective strength is 23 500 of which 6 000 are underground workers.<sup>1</sup> Some concern has been expressed by public opinion on the efficacy of the reconversion policy in Dutch Limburg, the syndical press has requested the appointment of a manager responsible for coordinating the reconversion measures.

41. A development similar to the one noted in the previous Social Report followed its course as regards the distribution of the workers according to nationality.<sup>2</sup>

<sup>1</sup> If workers of the Staatsmijnen engaged in the chemical sector are excluded, the total effective strength is only 12 200.

<sup>2</sup> See Statistical Annexes of the *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970* and the present report.

42. A very significant statistical Table, also published as an Appendix, concerns the distribution of workers (including apprentices) by age group in the various coal-fields; it helps to understand the concern by public authorities and enterprises not to underestimate the necessity of recruitment whilst programmes of reduction in working strengths are in progress.

#### *Iron ore mines*

43. The regression in the working force continued at the same rate as last year (—700 workers), the total working force being only 17 700 for the whole Community.

#### *Iron and steel industry*

44. On 30 June 1971 the iron and steel industry occupied 563 000 workers which is a minimal increase of 1 400 compared with the previous year.

However, as mentioned above, statistical data on 30 June 1971 convey only an out of date picture of the present situation (October) of Iron and Steel in the Community. Yet, the first signs of a reversal in economic trend appear already as a reduction of 3 800 employments in Germany (in Northern Rhineland-Westphalia), in contrast with an increase of 6 400 the previous year (to 30 June 1970) and with an increase of 400 jobs in Luxembourg.

In Belgium employment remained stable compared with last year whilst France (+ 300) and the Netherlands (+ 400) showed increases, and Italy a marked increase (+ 4 900).

45. The present outlook (October 1971) for the economic trend is hardly satisfactory for Germany and Italy (where social tensions have a specific effect on the level of production) and, with a shifting in timing, probably also for the Benelux, if only through its links with the German economy. If from the aspect of the economic trend France is an exception it is probably due to a large extent to some advantages in currency.

More generally these prospects for steel are to be seen as an overall settling down of the economic trend which are sufficient to explain monetary disturbances (the revaluation of the D.Mark weighs on German exports) and the American protectionist measures of 15 August 1971, with their chain effects to which steel especially is very sensitive.

According to provisional data, production of crude steel during the first nine months of 1971 compared with the corresponding period of 1970 would show for the whole of the Community iron and steel industry a decline of 5.9% which affected all countries, particularly Germany, but not Belgium. The result is a reduction in overtime which, if it reduces the wage bill of the enterprise, carries with it nonetheless a reduction of income for the workers; partial unemployment has affected certain firms in Germany.

46. On economic trend at medium term the major problem underlined in the "Memorandum on general objectives of the Community's Iron and Steel industry for the years 1975-1980"<sup>1</sup> from the point of view of employment is obviously the one of the preferential maritime localization of new investments in the iron and steel industry. For instance in France the Fos (Marseilles) project has been adopted and started whilst Usinor, in Dunkirk, advised the doubling of its production capacity by 1975 (during the Sixth Plan). But the present reversal in economic trend can only speed up measures of rationalization and closure of obsolete plant which are not profitable or hardly so, or measures of restructuration and concentration.

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<sup>1</sup> Already quoted and approved in its final draft by the Commission in July 1971.

## CHAPTER II

### VOCATIONAL GUIDANCE AND TRAINING

*1971 was characterized by new measures aimed at implementing the reforms of previous years on vocational and technical training. The evolution which is being outlined at present in the technical, economic, social and teaching fields and especially the acceleration in the rate of this evolution in modern industrial society require that an increased effort be made on adaptation of the structures and methods of vocational training. The adaptation process of the different Member States stems from the same necessities and leads almost invariably to a selection of identical or similar objectives.*

*This process is far from being carried out under the same aspects in so far as major differences subsist at the initial stage of the reforms, of the policies or concepts adopted and the means chosen to solve the major problems.*

*From the Community point of view these differences and the lack of a uniform direction in putting reforms into effect are to be regretted since the forthcoming Economic and Monetary Union requires that the issues concerning education and vocational training shall be defined with a new outlook and a new dimension.*

*With these considerations taken into account particular importance must be attached to the fact that the Council adopted during the session of 26 July 1971 general guidelines for drawing up a programme of activities on vocational training at Community level.*

*According to these guidelines, the programme of activities to be drawn up by the Commission starting from an overall aspect of all vocational problems arising in the different economic sectors should in particular:*

- (i) take into consideration the economic, social, technical and pedagogic evolution now in progress in the Member States and try to find, at Community level, a satisfactory solution to the question of vocational training;*
- (ii) bring forth priority measures corresponding on the one hand to the problems which the Community must face in relation to actions undertaken at the level of the Community and, on the other, to the most advanced evolution in pedagogic concepts and techniques;*
- (iii) be placed at a high technical level.*

*This programme should also cover all levels of vocational training for which the necessity arises i.e. from the most elementary to the highest.*

*Two larger fields of activities have been defined by the Council: on the one hand the development on exchange of information and of cooperation at Community level, particularly concerning evolution in trades and needs of training, pedagogic techniques and methods, the relation between general education and vocational training, cooperation with research, migrant workers; on the other hand, an intensification of efforts to bring together standards of training.*

*The Commission has undertaken to prepare its new programme of activities; in collaboration with the Consultative Committee for Vocational Training, it will endeavour, in the ambit of the Council's guidelines, to respond in detail to priority requirements for a systematic exchange of information and experiences and to strengthen the collaboration between Member States and to bring together standards of training.*

*In this context the importance of the setting up of a group of experts for coordinating research on the evolution of trades and on vocational training should be underlined. Apart from collecting and circulating information, the mission of this new working group could include the study of priority problems linked with putting together a common policy of vocational training.*

*It should also be mentioned that in 1971 the European Centre for the Furtherance and Training in Agricultural and Rural Activities was set up. This Centre, established at the instigation of the agricultural trade organizations, aims at promoting, in collaboration with the Commission, the training and improvement of teachers and those responsible for vocations in the agricultural sector and at contributing to put into effect Community measures in this field.*

*Finally, it should be mentioned that the Commission, in its Communication of 12 January 1972 to the Council concerning the organization of monetary and financial relations within the Community, underlined that the strengthening of the monetary solidarity within the Community must go hand in hand, with an intensification of social policy to encourage employment, training and the retraining of workers in the Member States.*

## Belgium

47. A law of 19 March 1971 and a Royal Decree of 20 July 1971 settled the problem of equivalence of foreign diplomas and education certificates. As regards diplomas of technical education, this law enables decisions to be made on a partial or total equivalence of lengths of studies abroad or foreign diplomas. Till now, this possibility existed only in certain well defined fields (for instance, remuneration of teaching staff and admission to certain studies).

48. The law reorganizing secondary education was issued on 19 July 1971.<sup>1</sup> This reform was already in operation on an experimental basis. In September 1971, the third year of the amended secondary education was organized in the French speaking regions of the country and the second year in the Dutch speaking regions. The approximation between general and technical education instigated by this law does not exclude, however, a choice between studies of a technical character and those which are more literary or scientific without, however, implicating the principle of unity in training up to the second year level. A more definite choice is made later.

49. Various amendments have been made through Royal Decrees to the general set of regulations of traditional secondary technical studies with a view to adapting the system of examinations to the trends of the new secondary education where "evaluation" is more important than a system of rigid marking.

50. A Royal Decree of 28 July 1971 amending certain clauses of the Royal Decree of 20 December 1963 on employment and unemployment, allows up to 31 December 1973, wage earners or independent workers of 17 years of age but still under 18 to receive vocational training by attending a bricklaying and building centre, provided they are able to show a previous vocational activity of at least six months as wage earner, independent worker or assistant.

51. A Ministerial Decree of 2 October 1971 sets the maximum allowance at 50.95 francs per hour (as from 1 October 1971); this amount is tied to the cost of living index of 114.20.

52. The National Employment Office (ONEM) continued its endeavours of training, retraining and vocational improvement of adults.<sup>2</sup>

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 49.  
<sup>2</sup> *Ibid.*, secs. 50, 51 and 52.

The total number of adult workers who completed collective training was 4 350 for the period 1 January 1971 to 31 August 1971, made up of 1 099 unemployed and 3 251 wage earners or independent workers. During the same period there were 289 individual trainees of whom 263 were in enterprises and 26 in technical colleges.

Observation and selection centres received 144 unemployed; pre-training centres, 351.

To answer the needs of the employment market, the ONEM extended the courses for further training which in the past dealt mainly with the building trade and the sector of castings, forgings, and finishing, to several trades in metal processing, of ready-to-wear clothing, of hosiery and office staff concerning VAT, social legislation, etc.

Training centres for the tertiary sector set up in 1970 and taking into account the important development anticipated in the years ahead, arranged in 1971 for vocational recycling of female workers with a view to their integration in professions of this sector. The responsible person at these centres prepares for trainees an individual curriculum based on results of the knowledge test and psychotechnical selection.

The ONEM also endeavoured to give women the opportunity to practise trades which are considered traditionally as belonging to men. On 30 June 1971, 65 women completed their training and 58 were still undergoing training for trades such as painters, machine tool operators, fitters, welders and electricians.

In order to encourage young workers to pursue their vocational training, social promotion grants are made to workers who have successfully completed in a State establishment or in a subsidized or approved establishment, a whole curriculum of evening or Sunday training enabling them to improve their trade qualifications. In 1970, 8 569 workers received grants totalling 15 379 400 francs.

Up to 1 September 1971, 2 600 applications had been made by workers who had completed their course of evening or Sunday training in 1971.

53. Since 1964, the National Centre for Pedagogic Training and Studies is responsible for the pedagogic preparation of instructors whose task is to carry out the training of ONEM adults.

In recent years enterprises also benefited from the experience and help from the Centre in preparing their instructors and foremen. At 31 August 1971, 215 persons had thus completed pedagogic training.

### *Germany*

54. The law on individual promotion of vocational training<sup>1</sup> came into force on 1 October 1971. It provides for financial grants for attendance at further general or technical teaching establishments from the second year of studies at higher technical schools, academies and higher education establishments, training centres of second degree, or certain courses of television teaching. Grants are also made in certain cases for attendance at training centres located outside the German Federal Republic.

Nine new regulations on training came into force in 1971 in pursuance of the law on vocational training.<sup>1</sup> These regulations concern the clothing, knitwear, weaving and spinning industries and also entry into the professions of assistant to a barrister, a notary, or in a patent office, as also compositor-typographer, glass worker, swimming instructor assistant and qualified clerk on social security.

The Federal Government also published in pursuance of Article 30 of the law on trade vocation the list of trades which require systematic training. This list is a very important instrument of control and planning.

A law of 12 March 1971 modifying the law on trade vocation clearly defines the scope of training in the sector of public services.

The Federal Committee for Vocational Training<sup>1</sup> whose object is to advise the Federal Government on fundamental vocational training matters set the guidelines in 1971 for examinations for training and examinations for re-education and vocational training courses, it made recommendations for the promotion of training schemes at trade level and for keeping booklets on apprenticeships reports, also thesis concerning the year's basic vocational training.

The Federal Institute for Research on Vocational Training Matters,<sup>1</sup> established under the law on Vocational Training started work in 1971. The order of priority of its tasks has been fixed in its research programme. The first important result of the Institute's work was the publication of directives on vocational training in the ambit of television-teaching.<sup>2</sup>

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 53.

<sup>2</sup> *Ibid.*, sec. 55.

By decision of the Federal Government, the Federal Minister of Labour and Social Affairs appointed on 1 April 1971 a Commission of Experts for studying the cost and finance of vocational training combined with scholastic studies. This Commission has started its work and its final report is expected in 1973.

55. Since 1970, the Commission of the *Bund* and the *Länder* for the planning of training is working on the preparation of an overall project of training and a budget for training which will be the basis of the reform of the whole education system.<sup>1</sup> A provisional report which outlines the future education system has just been prepared. This system will embody in its new concept all aspects of education, from elementary to systematic advanced levels including vocational training in enterprises and schools. One of the main tasks to be tackled in the ambit of education policy will be to establish the equivalence of vocational and general education. Courses available in both these fields such as they are at present will be largely harmonized. A wide range of possibilities is expected to cover higher education.

The new law on work organization in enterprises, passed in the autumn of 1971 provides for an extended right of consultation by the works council on all matters of vocational training, for instance as regards setting up and equipping the enterprises' training services, introducing measures for internal training and the participation by wage earners to training measures outside the enterprises. The law provides for an entire right of co-determination of the works council in matters of putting into effect measures for internal training in the enterprise.

Moreover, the works council can oppose the nomination of instructors or request their removal if it considers them as being technically or personally unsuited or if they neglect their duties. The works council can propose the nomination of staff for their participation in internal training measures. In case of disagreement with the employer, the decision is taken by a conciliatory institution composed of an equal number of representatives of both sides.

In March 1971, the Ministers of Education made their recommendations on adult training; these recommendations take into account the progress-made-in-permanent-training.

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<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 53.

56. Efforts aimed at improving qualitative and quantitative vocational guidance were pursued during the period under consideration. Thus in 1970 some 30 000 school meetings were held on selection of trades, on needs and prospects of different trades, training and higher education possibilities and on the promotion of vocational training; about 285 000 persons visited trade exhibitions and almost one million called on the services of vocational guidance advisers.

In order to improve its services, the Federal Work Institute decided to set up a Trade Information Centre in Berlin. This model centre, the first of its kind in the German Federal Republic, will enhance the cooperation between schools and vocational guidance as concerns the entry of young people into professional life and the choice of trades. The Centre will also include a training and higher education establishment for workers and a school of administration for the staff of the Federal Work Institute.

In its report on regional inequalities concerning entry into vocational training in the Federal Republic, the Research Institute on Work and Trades which is answerable to the Federal Work Institute, observes that in regions with a certain inadequacy of structures, young people are frequently at a disadvantage due to the fact that training possibilities in those regions are less developed.

Finally, the Standing Conference of Ministers of Education and the Federal Work Institute reached a standard agreement early in 1971 on cooperation between schools and vocational guidance centres. This agreement will reinforce the harmonization between these schools and vocational guidance centres and the mutual support which they give.

57. The encouragement to vocational training in the ambit of the law on work promotion has developed considerably. Grants for training made by the Federal Work Institute reached the following figures (in million D. Marks):

	1970	1969
For vocational training	192.0	133.0
For further vocational training	338.0	} 167.2
For vocational retraining	174.6	
For induction	41.7	21.2
For encouraging training in enterprises	17.8	8.8

For 1971 an expenditure of over one thousand million D.Marks is anticipated.

58. The number of persons to be trained has declined. Whilst it increased by 18% from 1961 to 1967 reaching 1.4 million persons, it dropped by 9% between 1967 and 1969 at which period it was only 1.28 million. The proportion of persons to be trained by the enterprise related to all active wage earners from 15 to under 20 years of age dropped to 56.6% in 1969 (1968 = 59.3%). The causes of this are the raising of the school leaving age and higher number of entries in schools for further general education.

59. Thirty-one out of the eighty-one Chambers of Commerce and Industry adopted during the period under study a new examination method for intermediary tests undergone by some 6 700 commercial agents for industrial products. A questionnaire programmed according to the technique of "building blocks" (*Bausteinverfahren*) has been compiled. Candidates' answers are very rapidly checked and analysed by a computer which simultaneously gives the appreciations and prints them. The general introduction of these intermediary programmed tests requires however that they should be adapted to the regulations set out by the law on vocational training.

60. Since early 1971 the third programme of the Bavarian television shows a training programme called *Tele-Beruf* (Tele-Careers).<sup>1</sup> It aims at giving an outline of the organization of enterprises and the links between them. *Tele-Beruf* is shown during working hours; it seeks to promote permanent further education and to help young people to prepare their future; *ad hoc* pamphlets are available for those interested.

After the success met by the televised series on "Introduction to Electronic Processing of Information", which consisted of 26 transmissions and was seen by over 100 000 viewers of whom 42 100 obtained a certificate, a new series of transmissions has started on the introduction to "The Technique of Networks" ("PERT" method).

61. A course of training for teachers by means of communications (television, pamphlets, individual courses) is at present prepared jointly by the television networks, the Federal Ministry of the Economy and Finances, the Federal Ministry of Labour and Social Affairs, the Federal Institute for Research on Matters of Vocational Training, the central organization of the economy and the trade unions. This course should help interested parties to attain more easily the level of higher teaching standards which

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 55.

are to be set out for enterprises' instructors in a statute now being prepared.

62. Thirty-seven centres of higher education set up this year an association for television-teaching;<sup>1</sup> it will coordinate projects on television-teaching at the various member centres, collaborate with the German Institute for Television-Teaching and prepare the creation of a Federation for Television-Teaching, to which the *Bund*, the *Länder* and television networks will participate.

63. During the period under consideration central organizations of the economy set up a Council of German Economy for Vocational Training. The aim of this Council is to coordinate and promote activities of economic circles seeking an improvement in vocational training, to set out propositions on the subject and encourage economic organizations to express their opinion on matters of training.

#### *France.*

64. The inter-professional agreement on trade training and improvement of July 1970<sup>2</sup> was completed on 30 April 1971 by an additional clause concerning enterprise staff. Amongst the main measures in this additional clause which are a new step forward in the fulfilment of an economic policy in vocational training, the following should be mentioned:

- (a) the concept of professional training and further education has been enlarged to "general training in that it is conducive to the further education of the interested parties";
- (b) the provisions of the agreement of 9 July 1970 concerning leave of absence for further education and remuneration in cases of collective dismissals apply also to staff affected by individual dismissal as a result of "an amalgamation, take-over or restructurization";
- (c) the wage earners referred to in additional clause and participating in training duty, may request authorization to be absent without pay, whether part time within the limits of 18 hours per month, or full time for a duration of less than one year;
- (d) the percentage of wage earners affected by the additional clause simultaneously absent from the enterprise in order to be trained or to teach others must not exceed 3% of the whole personnel.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 55.

<sup>2</sup> *Ibid.*, sec. 56.

65. If a new step forward has thus been taken in the economic field, 1971 has been a decisive year through the publication of an important set of legislations; these are the four laws of 16 July 1971 on the organization of continuous training, the bringing up-to-date of technological and vocational teaching, reforms on apprenticeship and employers' participation in financing first training.

These new texts reform, complete and strengthen the statutory terms of "the coordinated and concerted policy of training" set out by legislations of 1966 and 1968.<sup>1</sup> Simultaneously, they are the legislative extension of the joint agreements of 1970 and 1971 by bringing an overall solution to financing problems. Finally, they aim also at the integration laid down by the Sixth Plan. The latter lays down training as a priority to pursue economic and social developments and anticipates a doubling of its means by 1975 with a possibility of 1 700 000 individual interventions yearly.

66. The new law on continuous training does not bring major changes to training institutions and organizations. On the other hand it gives all workers—including those under 20 years of age—a genuine right to continuous training by establishing combined leave of duty with training. It aims at the extension of the "convention" system which is to be "the fundamental contract guaranteeing the practical adaptation of training to the real needs of workers and of the economy". Finally, whilst confirming and specifying the State's financial intervention clauses, this law lays down the employers' participation to the financing of continuous vocational training; this participation, fixed for 1972 at a minimum of 0.8% of wages paid will reach a maximum of 2% by 1976.

This law was completed by four application decrees of 10 December 1971 concerning leave of duty-training, insurance-training funds, employers' participation in financing continuous vocational training and the financial aids given to vocation trainees.

67. The law on technological and trade guidance lays down the aims of training in the general perspective of permanent development of training. It concerns mainly the possibility "of acquiring an education which answers the needs of our times", of helping in the economic development of the country, of safe-guarding the prospects of further education and promotion from a basic qualification and of a better awareness of outlets.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1969*, sec. 71.

68. The new law on apprenticeship aims at making this training a genuine opening to technological knowledge whilst maintaining its essential advantages and taking into account the particular needs of the craft. The reform foresees on the one hand that training of apprentices shall be carried out in the enterprise for the practical part and, for the theoretical part, in "apprentices training centres" agreed and controlled by the State; on the other hand the contract of apprenticeship becomes a special type of work contract. Apart from budgetary credits, financing the new system will be assured by a distributed apprenticeship tax reduced from 0.6 to 0.5% of the overall taxable emoluments.

69. Efforts on the part of public authorities during recent years and the undertaking by economic and social powers to develop permanent vocational training are taking shape not only in the new texts but also statistically.

Between 1969 and 1971 the number of contractual training schemes rose from 776 for 190 000 trainees to 1 383 for 371 000 trainees<sup>1</sup>. During the same period the total number of trainees in public centres or in private centres with State support increased from 808 800 to 987 500.

Contractual training broken down into types of training has varied as follows:

Measures	1969	1970	1971
Young people - Apprenticeship centres	22 000	34 000	51 000
Adaptation - prevention	18 500	36 000	60 000
Conversion	19 000	30 000	34 000
Promotion	31 000	50 000	56 000
Upkeep and improvement of knowledge	77 000	130 000	139 000
General training - Adults pre-training - correspondence courses	22 500	30 000	31 000
Totals	190 000	310 000	371 000

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 59.

70. The National Association for Professional Training of Adults (AFPA) renewed its endeavours for the regionalization of its structures and the adaptation of its role and ways of training to the new needs.<sup>1</sup>

During 1970 the 116 centres of AFPA received 53 778 persons of which 48 742 full-time, 2 201 part-time and correspondence pupils, 736 attended refresher courses and 2 099 followed instruction courses for instructors. For every 100 trainees having completed their course during the year, 76 reached a level corresponding to the CAP or the BEP, 20 the level immediately below and 4 the level of technician or advanced technician.

### *Italy*

71. In 1971 projects were prepared for a complete change in legal structures on vocational training. A decree, already approved by the Council of Ministers entrusts to regions the tasks so far born by the State and specifies the powers of the central administration.

At the same time, the contribution of all the interested social strata is set out for the preparation of this legislation.

This Bill establishes the fundamental principles on which regional legislation action shall be based. It lays down objectives and general rules on the development of training activities and determines also "the result index or qualitative standards" to avoid dangerous situations of imbalance. The method of organization shall be the responsibility of the region.

Concerning training activities in 1971 by the Ministry of Labour the following information is available:

- (i) 15 163 trade vocational courses were run with an attendance of 292 425 pupils and for a sum of 38 217 783.126 lire,
- (ii) 2 397 special courses for unemployed, physically handicapped persons, etc. were run for 55 268 pupils and for a sum of 11 871 796 000 lire,
- (iii) 13 546 apprenticeship courses were run for 320 128 trainees and for a sum of 5 231 715 545 lire.

72. By virtue of the provisions of law No. 36 of 12 February 1967, 14 500 000 000 lire have been allocated to the three main establishments for vocational training (INAPLI, ENALC, INIASA), and to the 73 small

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1969*, sec. 75.

ler centres as contribution to the cost of strengthening the technical and school structures and to ensure the trade qualification of workers.

The main activities consisted of:

- (a) renewed endeavours for closer links between vocational training and employment prospects with full employment the ultimate aim,
- (b) renewed efforts to raise standards and techniques of vocational training courses. To this effect a programme over several years for the enlargement of existing training centres and the building of new centres in the relevant localities and sectors has started. Simultaneously, recycling in trade, technique and teaching continues,
- (c) the furtherance of any activity likely to assure the financing of vocational training centres for the whole year and the full employment of staff at these centres,
- (d) the formulation of the trade-unions agreement and setting out the legal and economic statute of teaching staff in centres subsidized by the Ministry,
- (e) studies on the restructurisation of INAPLI, ENALC and INIASA organisms in view of the imminent regionalization of vocational training of workers.

73. By circular of 30 July 1971, procedures were laid down concerning vocational training during the education year 1971-1972. These instructions were stopped in view of the delegation to regions of the functions performed hitherto by the Ministry of Labour in matters of vocational training.

The following points are of particular importance:

- (a) the setting up of the "National Committee for Vocational Training" where management, labour and regional administration meet,
- (b) the finalization of efficient instruments to assure technical assistance, improvement of teachers and the fulfilment of special training projects,
- (c) the putting into practise of certain experiences concerning adults courses and the grant of qualification certificates,
- (d) a greater participation in favour of invalids with financing of special activities.

74. In the sector coming under the responsibility of the Ministry of Education, two-year improvement courses set up experimentally under

law No. 754 of 27 October 1969 and Ministry decree No. 253 of 19 March 1970 now result in the grant of a diploma of "trade skill" enabling holders to pursue university studies.<sup>1</sup>

Further to the introduction in school curricula of new subjects such as informative and administrative techniques, seven courses of 15 days instruction have been organized to enable the 200 teachers responsible for the courses of improvement mentioned earlier to recycle.

Thirteen other courses have been organized for recycling staff responsible for experimental and vocational training.

In the agricultural sector the Ministry of Labour has issued directives aimed at promoting the activities of regional agricultural centres and enabling the fulfilment of special intervention projects for retraining agricultural workers, necessary through structural changes in production and to encourage recycling of the teaching staff.

### *Luxembourg*

75. The hallmark of 1971 was the introduction of a new law on agricultural teaching and of regulations on laws published during previous legislative periods.

The law of 12 November 1971 lays down that an Agricultural Teaching Institute is to be set up at Ettelbrück with two levels of studies and with special recycling and improvement courses for adults. The first level of studies aims at training farming supervisors, the second level at preparing agricultural technicians.

76. The law of 21 August 1969<sup>2</sup> lays down that a chemistry section is to be set up in technical and professional teaching colleges; this was carried out during the current year by Grand-ducal regulation of 8 June 1971. By virtue of these provisions, chemistry teaching is divided into a lower cycle of 3 years leading to the level of assistant chemist and a higher cycle of 2 years preparing for the career of chemical technician.

77. In order to put gradually and smoothly into practice the main ideas of the reform programme taking place since 1968, technical education will

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 61.

<sup>2</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1969*, sec. 85.

be issued with new regulations towards the end of 1971 concerning handicraft apprenticeship. The regulations will set out the new structures of the present education system. A new formula for training will also be introduced based essentially on a practical aspect and termed "practical system" which is meant for pupils who are less gifted for a "theoretical education" or less attracted by bookish teaching.

78. In order to solve the problem of integrating foreign pupils unable to learn correctly one of the two official languages of the country, i.e. French or German, the Ministry of National Education organizes since the beginning of the 1971-1972 school year, in the language laboratory of the Esch-sur-Alzette Professional School, language courses at the rate of 30 to 35 lessons each week for the duration of the school year.

79. As regards adults training and further training, the Professional Teaching Centre of Luxembourg has organized since the academic year 1970-1971 in its electrotechnical section, courses for radio and television electricians.

Adult training in the agricultural sector will be at the new secondary school mentioned above.

80. The agreement of 11 December 1953 between the Government and the Chamber of Trade relative to handicraft promotion service was completed and extended in 1971 by an additional protocol aiming at a closer and more efficient collaboration between this service and trade instruction.

### *Netherlands*

81. On 1 August 1971 important amendments were made to the laws of 1969 on school attendance and on employment. Apart from compulsory full-time school attendance the law on school attendance introduces the new requirement of following part-time education. According to the new provisions, compulsory school attendance ends:

- (a) at the conclusion of the school year after which a minor has followed at least 9 years of courses and, in any case,
- (b) at the conclusion of the school year during which a minor has reached the age of 16.

The ninth year of compulsory full-time education may be replaced, in some individual cases, by part-time compulsory education for minors not following full-time courses. The duty to follow courses during one day per week for an initial period of one year will gradually be changed to a compulsory full-time course of three years.

It is sufficient to follow courses of training institutes for young people or general and trade courses given for apprenticeships. The modification of the law on employment stipulates that young people cannot be employed during the hours of part-time education.

82. The "jumbo law" entered its third year. It follows that establishments of secondary education operated during the intermediary period and during the second year, under the system of this law.

Efforts aimed at adapting and improving the legal provisions governing the present structure and organization of secondary education are still affected by a serious bottleneck and other problems. Thus, under the present education system, pupils of 12 years of age must choose between trade education and secondary education.

It is thought in many circles that an intermediary period of one year is too short for guidance and for a judicious choice; a longer intermediary period is desirable. Efforts are also being made to interest to a greater extent secondary education in pupils from the less favoured social, economic and cultural classes.

In order to solve these problems and ease the transition period it is suggested in various quarters that "Ecoles moyennes" should be set up. At the present stage of discussions a new type of education is understood by this which would fit between primary and the more specialized secondary education and would affect all pupils from primary schools; several experiments may be expected in this type of education.

83. In the application of the law on apprenticeship,<sup>1</sup> the decision concerning examination standards hinges on harmonization between practical and theoretical instruction. The study of the second project is now complete.

84. The working group on "Further Education and Improvement"<sup>2</sup> completed its task in 1971 and published a report which was sent to the four

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 74.

<sup>2</sup> *Ibid.*, sec. 77.

competent authorities. One of the conclusions reached is the need for closer coordination between the policies of public authorities on further education and improvement.

85. In 1971 Members of Parliament examined a note on "measures concerning young people" of between 15 and 18 years of age as regards education and work. This note proposes for young people a new type of education called "education by participation".

This education consists of two elements: the company and the school, both of which are part of education and influence each other.

The first element to be developed is the school. This requires integration between courses of training institutes for young persons and the general and vocational guidance courses given during apprenticeship. This integration must occur on the basis of scientific experiments.

86. Guidance on training policy<sup>1</sup>, as a main factor of the employment market policy is specified in a governmental project. On a long term basis, this training policy must aim at raising the level of qualifications of the active population by taking into account the structural development of employment prospects and of the labour market. Present measures on re-education and trade induction meet this aim. The implementation of this policy is at the moment still limited to setting up means ensuring for workers a new start which takes into account ability and aspiration.

Close collaboration with economic circles is sought in the application of training measures. Some interesting results have already been obtained.

The advice of the Council of the employment market has been sought on finance for training projects in the ambit of measures for promoting mobility of the active population.

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<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970, sec. 78.*

## CHAPTER III

### INDUSTRIAL RELATIONS

*During the period under review efforts were renewed by the Governments of Member States for a concertation with labour and employer's organizations on the overall economic and social policies to be followed. This concertation has become increasingly important not only in order to resist the present rise in prices in a situation where the rate of economic growth is slowing down but also to ensure on a longer term basis a balanced and sustained economic development which is a pre-requisite of social progress.*

*The Commission considers that the efforts to bring together the views of Governments, of management and labour, whilst respecting the principle of independence of the social partners, represents the expression of an entirely natural evolution in our highly industrialized society and is an essential basis for the fulfilment of the Economic and Monetary Union. This is the reason why it renews its efforts for a concertation structure at Community level to enable the different parties concerned to contribute to the preparation of the final decisions and which can be established with a view to coordinate efficiently and rationally the medium and long term economic and social policies.*

*In this structure—the setting up of Standing Committees on Employment is already an important step in this direction—a particular responsibility devolves upon management and labour which, still within their independent positions, should in future conduct their contractual policies more in relation to Community aims. For its own part, the Commission has tried to outline in*

its "Preliminary Guidance for a Programme of Community Social Policy" the general objectives which have first claim and it has stressed the necessity of securing a closer link between the social objectives pursued and the measures taken on economic matters.

Success of an endeavour largely depends on the degree of cohesion between the interested parties; the Commission is glad to notice that at national and European levels the cooperation between employers and workers organizations is closer and is developing further not only at Confederation level but also at the level of the various sectors of activities. As regards workers' organizations this evolution towards a closer trade-union cohesion is stimulated at European level by anxiety over the increasing number of multinational companies, by international concentrations and amalgamations which, as experience shows, can have unfavourable repercussions on employees situations in the enterprises concerned. The Commission is aware of this evolution and has undertaken to examine with the help of the interested parties the possibility of formulating appropriate Community measures as an answer to the unfavourable social consequences of the process of economic integration.

Notwithstanding the growing awareness of social problems under a European aspect, a parallel major development is seen in most countries on joint negotiations at regional or enterprise level. Trade unions expect to better adapt contractual policies to conditions existing in the enterprise through this strategy and thus to ensure that collective negotiations correspond more fully to present needs. This is frequently the way the best agreements are reached in large enterprises and serve then as a model for negotiations at regional or national stages or for other enterprises in the same sector.

This new outlook also explains in part the reserve of certain trade unions towards the concept of developing a Community contractual policy. This situation cannot, however, be generalized and in an increasing number of sectors, social partners examine jointly their problems at Community level, either by ad-hoc meetings or through institutional commissions. Through a better knowledge of the present situation followed by the planning of

*collective solutions to collective problems they seek to give advice and make recommendations to find a harmonization in certain working conditions. In agriculture for instance, the social partners negotiated and signed in 1971 a new agreement on the harmonization of working hours for permanent staff engaged in stock-breeding.*

*The Commission proposes to do its utmost to increase the number of contacts between social partners at European level. As already underlined in its Preliminary Guidance, it considers that the fulfilment of its social objectives through collective negotiations at European level can bring an important contribution to the progress in working and living conditions which must be amongst its priority targets. In this context the Commission recalls having transmitted to the Council of Ministers in April 1971 proposals concerning the systematic gathering and examination of collective conventions. It considers that this European index of collective conventions could be an important instrument in obtaining a clearer picture of social evolution in the Community and contribute thus to the success of management and labour at European level.*

*If the sectoral Joint Committees already set up operated satisfactorily, they concentrated their endeavour essentially to the study of working conditions and to the possibilities of their harmonization. A certain number amongst them—the Agricultural, Deep Sea Fishing, Road Transport Committees—also recently started examining problems of health and safety at work with a view to secure a practical improvement of safety at work through consultations with all interested parties as is the case already in the mines and the iron and steel industries.*

*The Commission is glad to see this evolution. It considers in fact that these matters should also be systematically developed in other sectors where management and labour are sometimes hesitant in broaching questions on harmonization of working conditions.*

*For human motives and with a view to avoid social dumping, management and labour have all interest to discuss these problems within the Joint Committees because a better protec-*

*tion of health and environment inside enterprises contributes largely to the improvement in well-being and the living standard.*

*The discussion could also extend to the pragmatic acknowledgement of trade qualifications, to the collective policy on trade education, the latter fitting perfectly in the programme of activities at Community level aimed at general guidance in matters of trade instruction adopted by the Council in July 1971.*

## RELATIONS BETWEEN WORKERS AND EMPLOYERS AND PUBLIC AUTHORITIES

### *At Community level*

87. In the social report for 1970<sup>1</sup>, the increasing trends within trade-union movements to extend to European level collective actions taken at national level have been thrown into relief. During 1971 this trend increased not only through new structures being set up as for example the change of the European Metal Committee into a European Federation of Metal Workers (FEM) representing over 3 million members in the Community but also by closer cooperation at industrial sectors level and in the contacts with multinational companies.

88. Contacts with an increasing number of multinational companies were pursued by trade-union delegates whose aims however were not to replace collective negotiations conducted at national level but rather to obtain early information on economic policies on the part of management, on production, investment, employment and the social situation so as to better protect workers against social repercussions of concentrations, reductions and transfers of production by companies.

89. This action frequently extends beyond the geographical bounds of the Community. Amongst new trade-union committees for coordination, the "Permanent Committee" set up by wage earners representatives of Michelin in ten countries<sup>2</sup> in June 1971 in Geneva, illustrates this development. In the same context should be mentioned the Conference of the World Council of the Motor Vehicle Industry organized by the International Federation of Metal Workers, held in London in March 1971, with a view to formulate a trade-union strategy, particularly as regards multinational companies engaged in this sector.

### *At national level*

90. In Belgium, the social situation in 1971 was determined mainly by events of the previous year and by the decisions of principle taken during the course of 1970 by the Economic and Social Conference. Problems of

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 83 et seq.

<sup>2</sup> Algeria, Germany, Argentina, Canada, Denmark, USA, France, Italy, Ireland and Switzerland.

social programmes, of relating wages to the cost of living index, of trade-union rules in public services and trade-union plurality were proposed and discussed.

91. The Economic and Social Conference of 16 March 1970 in particular considered ways of improving the running of trade councils by the adaptation of their means of action. The setting up of councils was also recommended in many new industrial sectors. An opinion by the Central Economic Council was given on this point on 18 December 1970.

The Conference considered that the statute of trade-union delegations in enterprises should be adapted, particularly with a view to secure for delegates certain facilities so that they may exercise their mission.<sup>1 2</sup>

92. The national inter-trade agreement which puts into effect various conclusions reached by the Economic and Social Conference signed on 15 June 1971 must be considered as a new step forward in social progress.

The agreement which is valid for the period 1971-1972 contains the following points:

- (i) the signatories will ask the Government to increase old-age pensions by 5% as from 1 January 1972;
- (ii) the guaranteed monthly wage shall be paid to women absent through pregnancy and child-birth;
- (iii) members of company councils, of security and health committees and of trade unions are to be allowed to follow trade-union training courses during normal working hours without loss of wages;
- (iv) the parties will seek to adopt the 40-hour week for effective work and a four-week holiday. These objectives are to be reached in 1975, and in exceptional cases in 1976. In a general way the 42-hour week should be reached in 1972 and in exceptional cases in 1973.

93. The national Joint Commission of the Metal Construction Industry was already working towards these objectives by ratifying on 11 January 1971, after consultations with the interested parties, the draft agreement

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 86.

<sup>2</sup> See also sec. 139 of the present Report.

of 18 December 1970 between the two central trade unions of the metal industry FGTB and CSC, on the one part, and Fabrimétal, Unimétal and the Monteurs en charpente (steel erectors), on the other.

This agreement—which affects more than 300 000 metal workers—provides for wage increases and adaptations, a reduction of work to 40 hours a week (by 1973), a higher additional compensation in case of unemployment or illness, a rise in trade-union dues and the payment of the official 10-days holiday.

The joint agreement runs for a period of one year as regards wages, two years on the matter of duration of work and other advantages and is illimited on the relation of wages to the index and on the 40-hours week.

94. An agreement on a public services programme was signed on 5 November 1971 for 1972-1973 and it is considered as the most important in 25 years. It provides for an increase in minimum wages to 10 000 BF net, holiday increment and new scales of wages for the whole of the public services as from 1 April 1972.

95. The law of 28 July 1971 modifying the legislation concerning the closing down of enterprises also puts into practice the agreement reached between employers organizations and trade-union organizations at the Economic and Social Conference of 16 March 1970. The main amendments brought about through the new law to existing provisions regarding laying-off of workers by firms closing down, concerns in particular the field of application of the law (it now applies to firms of less than 20 workers instead of 25) and the amount of the allowance to be paid for certain categories of workers.

Previously allowances for closing down were 1 000 BF per worker for each year of employment; this amount is doubled for the years of employment for workers over 45 years of age. For employers the minimum notice of one year between the closing-down notice and the actual closing down by the company is increased to 18 months.

96. In accordance with the law of 15 July 1970 on planning and decentralization a report on the main guidelines of the Five-Year Plan 1971-1975 was submitted to the various consultative bodies. On the basis of the results of these consultations, the Planning Office will prepare a document entitled "The Main Guidelines of the 1970-1975 Plan".

This report has been submitted to the National Work Council and to the National Committee for Economic Expansion; the FGTB insisted before the latter body on the necessity of preparing a conventional and legal policy on education and recycling to be made available to all workers; also on an employment policy aiming at the acknowledgement of the right to work, whilst the CSC expressed regrets that the plan had been delayed a year and recommended that social increases, allowances and grants of a vital minimum for handicapped persons and pensioners should be applied more rapidly. The draft law approving "the main guidelines" of the Plan was adopted by the Council of Ministers in June 1971.

97. In Germany, the economic and social situation was influenced by measures taken over matters of monetary policy. Whilst not resulting in a sharp economic set back, the economic and social situation was subjected to moderating influences. This trend showed up clearly during the collective negotiations. From 10.5% during the previous year, increases in wages and contractual salaries during the first quarter of 1971 were established at 9.0% (taking into account progressive increments of 9.6%), during the second quarter at 8.8% (9.2%) and during the third quarter at 8.3% (8.6%). Wage negotiations were again conducted in many sectors and featured by more rigid positions being taken; in numerous cases they could be concluded only after having had recourse to mediation. As was the case during the previous year, many of the collective negotiations include provisions concerning bonuses for asset accumulation paid to workers<sup>1</sup>.

98. The Commission for Social and Economic Development (*Kommission für wirtschaftlichen und sozialen Wandel*), set up by the Federal Government, held its constituent meeting on 9 February; consisting of technicians and experts elected by trade unions and employers organizations, its task is to study problems linked to technical, economic and social changes taking into consideration the subsequent development on social policy and to prepare a report on the subject within four years.

99. The Federal Government presented early in the year the Economic Report for 1971; the first part contains the opinion expressed by the committee of experts; the second part, guidance data and the projection of objectives for 1971; policy measures necessary for the implementation

<sup>1</sup> See Chapter V "Wages and Asset Formation", sec. 193.

of these objectives are studied in the third part. The following are desirable targets which can be reached from an economic aspect: gross domestic production per active person: 2.5-3.5%, private consumption: 7.5-8.5%, public consumption: 12.5-13.5%, capital investment: 7-8%, gross national wage packet related to employed person: 8.5-9.5%, consumption prices: 3%.

100. The Confederation of German Workers represented by the "Deutscher Gewerkschaftsbund"<sup>1</sup> stated in this connection that the macro-economic evolution desired by the Federal Government is close to its own objectives particularly concerning the assurance of full employment, the continued increase in national product, the restraint on price increases and the relation between wage and salary evolution. There are some differences of opinion however concerning the understanding of the present economic situation and the measures to be taken.

Central organizations of the German economy received favourably the particulars on guidance which outline the conditions required to bring stability. They consider that 1971 must be regarded as a year of transition during which undesirable tendencies noticed hitherto could be partially reduced. In this connection it has been stated that a return to a neutral wage policy in relation to cost prices improves economic development.

101. Conversations conducted in 1971 on social policy under the Chairmanship of the Federal Minister of Labour were continued with employers and trade-unions representatives, with other social and economic associations and with the experts and representatives of several Federal Ministries. The discussions dealt essentially with actions aiming at improving vocational training, the enlargement of personnel management and the extension of the system of retirement.

102. Other meetings were held under the Chairmanship of the Federal Minister of the Economy and Finance on concerted policies about the economic situation, the evolution of prices and wages, the decisions taken on the question of credit by the Central Bank Council and the effects of these measures on economic equilibrium in general.

<sup>1</sup> The "Deutscher Gewerkschaftsbund" or DGB is the German Federation of Trade Unions.

103. A summit meeting was held at the end of May between social partners. On that occasion the Confederation of German Employers Organizations (*Bundesvereinigung der Deutschen Arbeitgeberverbände*) proposed the setting up of a Standing Joint Committee entrusted with the study of the relation between cost and output. The Confederation of German Workers (*Deutscher Gewerkschaftsbund*) proposed that a discussion be rapidly arranged between representatives of national organizations of social and economic sectors on the one hand and its own representatives on the other to examine the question of a consistent attitude and which conforms at the same time to the exigencies of stability. This summit meeting was held in July and, on that occasion, the social partners expressed their common wish to support the policy of stability conducted by the Federal Government. They will endeavour to avoid any break in the economic trend in the interest of full employment, the stability of prices and economic growth. Employers point out that wage policies must submit to these requirements. The trade unions stated that the adaptation of wages policy to the economic evolution could be facilitated if prices were pegged and if progress were to be made in personal ownership.

104. In France, employers representatives met the leaders of all national trade unions in February 1971, to study improvements to be made to the provisions on security of employment which they signed on 10 February 1969. It was decided that problems of employment would be entrusted to the Joint Committee responsible for the application of the agreement of 9 July 1970 on vocational training and improvement. During this meeting trade-union representatives expressed their increasing concern in the face of mounting unemployment and wanted to secure assurances that no dismissal would take place without a guaranteed suitable new employment.

105. In a letter addressed to the President of the CNPF, the Prime Minister invited enterprises to participate in the training and employment of young people undertaken by the Government. The aim of this employment programme passed by the Government on proposition by the Minister of Labour, tends to ease the placing of applicants under 25 years of age in 26 geographical departments chosen with regard to local employment circumstances.

106. In this efforts to resist price increases, the Minister of Economy and Finance applied to the CNPF in September 1971 with a view to obtaining its cooperation.

In the course of its permanent assembly of 14 September 1971 the CNPF decided, with some reserves and under certain guarantees, to associate itself to the Minister's plan against rising prices.

The first contracts against rising prices were signed during October 1971 for the chemical, wool, electro-domestic appliances and footwear sectors.

107. Concerning the new law of 13 July 1971 on collective negotiations and mediation procedure, it should be noted that a wider definition is given to the object of these negotiations over working conditions and social guarantees; moreover, three improvements are thrown into relief :

- (1) Companies' agreements and inter-trade agreements.  
The previous law, of 11 February 1950, had organized joint negotiations at lower levels. The new law is likely to encourage trade negotiations to develop at company or inter-trade level.
- (2) Enlargement of the field of applications covered by collective negotiations.

A mixed national commission must compulsorily meet to prepare an agreement if at least two representative trade unions apply for it. The new law gives greater protection to wage earners covered by an agreement in case of notice of termination of this agreement, of amalgamation, take-over or change in activity; the advantages established are guaranteed for one year. On the other hand, important flexibility is given to the extension procedure which will enable a larger number of enterprises and workers to be covered.

- (3) Periodic review of wages.  
It is stipulated that collective negotiations capable of being extended must contain provisions on procedure and periodic review of wages.

108. In Italy, consultations between the Government and employers and workers organizations took place to examine problems arising from applying reforms, the economic and social situation and development in employment. Moreover, these topics were the object of discussions between workers organizations and the political parties.

109. The Italian Parliament legislative activity resulted in certain reforms of considerable importance.<sup>1</sup>

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 89.

The following should be particularly mentioned:

- (i) Law No. 853 of 6 October 1971 for the Mezzogiorno<sup>1</sup> which provides finance in excess of 7 000 000 million Lire;
- (ii) Law No. 825 of 9 October 1971 concerning fiscal reform.<sup>2</sup> This law modifies the previous Italian fiscal system. It should be noted that on 23 October 1971 the Italian Government decided to postpone its application;
- (iii) Law No. 865 of 22 October 1971 on housing reform.<sup>3</sup>

Three important commitments by the Italian Government have thus been taken in the field of major social reforms. It should be added that an agreement was concluded on 6 February 1971 between Government and trade unions concerning an urgent implementation on health reform.

The Italian Government also approved in July 1971 a series of urgent measures aimed at a new boost of the economy. The budgetary cost of this programme is estimated at 700 000 million Lire.

On 29 October 1971 the Government received representatives of Cofindustrial and, on 5 November 1971, representatives of the CGIL, GISL and UIL trade unions to examine the preliminary programme for the Economic Plan for 1971-1975.

110. On relations between workers and employers organizations interrupted for over two years, new contacts were made at Confederation level. During the meetings which followed between Cofindustrial and workers delegations the national economic situation was analysed, particularly as regards development in industrial production, investments and employment; problems on territorial and sectorial allocation of new investments and their effect on employment were studied in detail also the better utilizations of public expenditure, considered as an important factor in boosting production.

111. There was considerable activity in collective negotiations at both national and enterprise levels. At national level, collective agreements were renewed in the sectors of commerce, rubber, printing industries, plastic materials, the glass industries, bakeries, hotel staff and road hauliers. In total, 21 collective agreements—involving over 700 000 workers—were renewed during the first seven months.

<sup>1</sup> See Chapter I "Employment", sec. 9.

<sup>2</sup> See Chapter V "Wages and Asset Formation", sec. 203.

<sup>3</sup> See Chapter VI "Housing", sec. 223.

At the end of September 1971 negotiations were started for the renewal of the national agreement of the 1 700 000 agricultural wage earners.

At the level of enterprises, over 2 300 agreements—involving more than 1 200 000 workers—were negotiated during the first seven months of 1971. These negotiations frequently involved qualitative claims (regulations on working hours, trade qualifications, suppression of piece work payments, etc.). In this context should be mentioned the agreement concerning 185 000 workers concluded on 19 June 1971 between FIAT's management and the National Metalworkers' Federations, also the agreement involving 33 000 workers of 20 June 1971 between the trade unions and the "Industrie A. Zanussi" group. These agreements have a significant importance as regards relations between employers and workers; they are considered as "pilot scheme agreements" for the whole of the Italian industry.

112. In Luxembourg few collective negotiations expired in 1971 since an important number had been renegotiated during 1970 and they have usually a duration of 2 years. Negotiations were initiated on 29 September 1971 between social partners on the contents of the new agreement for the iron and steel industry. The chief claims by the workers' organizations were guaranteed monthly wages for all workers and an increase in the overall wage packet of 12% of which 4% to be allocated to the adjustment of wages of qualified workers and wage categories at the lower end of the scale. In order to work out the programme of negotiations the trade unions have largely consulted the workers concerned.

In March, a new collective agreement was concluded after lengthy negotiations for workers in the iron and steel industry. Apart from an increase in wages, the new agreement provides for a reduction in the duration of work and an improvement in promotion procedure. Overall, the increases are of the order of 10%. The agreement will remain in force till 31 December 1972.

Important collective agreements were renewed at the end of the year covering amongst others Banks and Insurance Companies; they resulted in increases of 13% for the employees of these enterprises.

113. In the Netherlands, the Government returned after the legislative elections, took into account grievances expressed by the three main trade-union Confederations concerning certain aspects of the law on wage deter-

mination<sup>1</sup> ("Wet op de loonvorming") and, on advice of the Economic and Social Council (SER)<sup>2</sup>, granted an adjournment of the general decree on prices and wages. Following this measure, concertation between management, workers and the Government which had been interrupted was taken up again on 23 September 1971. Although no concrete result was obtained, the first meeting was qualified as having been constructive. Both trade unions and employers organizations agree that they consider that above all it is important to check the inflationary movement. The trade unions have already submitted certain proposals in this connection whilst admitting the principle of moderation in wages but employers organizations regard these proposals as insufficient. Moreover, the Government consulted certain groups which are outside the central negotiations mentioned above and which have also advocated moderation in wages and prices.

The Economic and Social Council's advice on the draft law setting out the rules to follow in the event of companies' amalgamation has been revised.<sup>2</sup> The revised text stipulates in particular that the data to be supplied to the trade-union organizations must occur simultaneously with notification to the public authorities.

## ATTITUDES, CONFERENCES AND PROGRAMMES OF EMPLOYERS AND WORKERS ORGANIZATIONS

### *At Community level*

114. On the occasion of the Seventeenth Meeting of the Monnet Committee held at the end of February, the President of the Confederation of German Workers (DGB) who is also President of the European Confederation of Free Syndicates insisted on the setting up of a social plan in stages for the further development of the European Communities. In case of amalgamation of the Treaties establishing the European Communities this social plan in stages must replace the social provisions now written in the Treaties and conceived with the policy of competition in mind. This European social plan in stages must contain the principle of independence of the social partners in matters of collective bargaining and the

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 91.

<sup>2</sup> Report of 9 July 1971 on *Wage and Price Policy as instruments of the Economic Policy*.

guarantee of full employment. These requisites imply that the responsible authorities of the Community hold appropriate jurisdiction and have sufficient financial means. Apart from improvements in the Social Fund and vocational training, workers should take a part in the European social policy.

115. During its Tenth Congress held in Brussels on the 17 and 18 June 1971, the International Federation of Christian Trade Unions of the Metal Industry (FISCM), commemorated its fiftieth anniversary and pointed out that its first objective has always tended to be the strengthening of international solidarity. This objective took a concrete form since the Ninth Congress in 1965 which had as a title the "European Conference". If, since the end of the war, the FISCM has relied mainly on the interest of metal workers inside the ECSC and the EEC, it acquired during its Tenth Congress the necessary structures and an adequate organization to work at European and world levels.

116. On 29 and 30 June 1971 delegates from eight metal industry organizations of EEC countries, representing 3.1 million members, decided to set up the European Federation of Metal Workers (FEM) in the Community. The aim of the Federation is representing and defending the economic, social and educational interests of workers in the metal industries at all levels in the Community. With this object in mind it achieves a close and permanent collaboration between affiliated organizations and its activities revolve around concrete action programmes at Community level. The general assembly concluded with the unanimous adoption of a resolution spelling out the guiding principles of FEM's activities and particularly:

- (i) on the basis of its statutes, of establishing a close collaboration with the International Federation of Metal Workers (FIOM) and the European Confederation of Free Trade Unions (CESL) to reach the European stage in a common action of all "metal" trade unions;
- (ii) of restating its firm intention of participating in setting up a social Europe;
- (iii) of promoting a social policy and particularly an employment policy in the Community;
- (iv) of remedying the present inadequate representation of workers organizations in the EEC decision-making structures and organs.

117. The annual meeting of the European Confederation of Free Trade Unions in the Community (CESL) held in Toulouse on 8 and 9 October

was devoted to a critical analysis of the causes contributing to the international monetary crisis with a view to lay down the conditions for an economic and monetary boost. The CESL considers that the European Community should endeavour to create conditions for balanced development whilst avoiding economic turbulences which implies a longer term action leaning on a real democratization of the Community. This democratization requires however the participation of the European institutions as they function at present; the Commission should ensure the synthesis of the Community and the various national interest and prepare propositions and solutions on this subject; the Council should rediscover its role which is of taking decisions.

118. The European Organization of the World Confederation of Labour held a conference in Strasburg in October 1971.

The following topics were the object of detailed discussions:

- (i) representation of workers in the European limited company;
- (ii) solidary action by workers in multinational enterprises;
- (iii) opportunity for European collective negotiations.

At the conclusion of the conference resolutions were adopted in the matter.

119. The Committee for Employers Liaison (which includes representatives of industry, commerce, insurance, crafts and banks) founded in 1970 has considerably strengthened its cohesion during 1971 and taken positions on several subjects of major issue:

- (1) in a Note of 19 July 1971, the Committee for Employers Liaison expressed satisfaction on the analysis presented by the European Commission in its Memorandum on "Preliminary Guidance for a Programme of Community Social Policy". The Committee approves this programme in its broad lines but has some reservations on certain particular points (application of article 119 of the Treaty of Rome, creation of Joint Committees at European levels).

It considers moreover "that it is up to the European Commission to carry out periodically such studies to be followed by guidelines showing the way to social policy development".

- (2) The Committee for Employers' Liaison expressed a large measure of agreement in its Note of 26 August 1971 on vocational training activities to the Community programme on this subject (document

834/71 — CPE 19 — Appendix 1), presented by the Standing Committee on Employment. It gives however a somewhat different importance and urgency to the main problems arising for the interested parties through this training.

- (3) Finally, on 24 December 1971, the Committee for Employers Liaison confirmed the observations it had made to the working group of the Asset Formation, concerning the document on "System of encouragement to Asset Formation amongst Workers".

120. UNICE released :

- (1) On 12 March 1971 an opinion on representation of workers in the European limited company referring to the proposal made by the European Commission of a statute for European limited companies (30 June 1970) as concerns the European Enterprise Committee. The UNICE sees this organ mainly as a meeting place and an instrument of collaboration which cannot be reduced to a unilateral representation of workers interests. As to the Watch Council, UNICE confirmed that it "could not be associated to solutions which would result in a participation by workers to the organs of the European Company".
- (2) Three resolutions on international monetary and commercial problems.

*At national level.*

121. In Belgium, the General Federation of Labour for Belgium—FGTB—held an Extraordinary Congress in Brussels from 29 to 31 January 1971, on actions of the Belgian trade-unions movement. Three reports had been prepared as a basis for discussion; the first dealt with changes in modern society, the second with trade-union guidelines and the third with workers' participation.

A resolution was adopted at the close of this congress confirming the refusal to integrate the FGTB in a neo-capitalistic society and recommending the adoption of a new socialist and democratic society; in order to achieve this, the organization and development of economic life must occur in the orbit of economic planning. For such plan to be carried out requires certain means and, above all, workers' participation at all levels. It also recommends extending national action at European level through universal suffrage election of a European Parliament with real powers and through the negotiation of collective bargaining at European level.

122. The Belgian Federation of Industries—FIB—celebrated in June 1971 its twenty-fifth anniversary.<sup>1</sup> It published for this occasion a special pamphlet: the Twenty-fifth Report, which outlines the development in economic and social relations in Belgium and the major choices of Belgian employers faced with today's economic and human problems. The report analyses the current objectives of the FIB. Its main guiding principle remains "freedom of action" shown at present in the willingness on the part of political powers to speed up the expansion, programmes, planning and development of business rights. The report also outlines the European policies of Belgian industry in view of the possible entry of other countries in the Community. The document concludes with comments on industrial social policy which can be summarized as a "policy of concertation".

123. The Confederation of Christian Trade Unions—CSC—held its Congress on 20 November 1971; the main topic was enterprise democratization. The CSC considers that concertation on work is a form of participation and of democracy; in order to be achieved it is essential that there should be an improved system of economic information and more transparency in balance sheets. Simultaneously and in the light of 25 years experience the status and activities of enterprise councils should be reviewed.

124. In Germany, an extraordinary meeting of the DGB was held on 14 and 15 May in Düsseldorf; new statutes were adopted. Amendments concern the enlargement and strengthening of the Federal Committee which is the second decision-making organ of the DGB, arrangements for affiliation of trade union federations to the DGB and setting up workers' committees along the lines of corresponding organs for workers and civil servants. After very thorough discussions a resolution was passed whereby the DGB and its affiliated unions declare their acceptance of the constitutional democratic principles of the German Federal Republic and guarantee the security and development of the constitutional and social State and the further democratization of the economy of the State and of society.

The Tenth National Congress of the Federation of German Employees ("Deutsche Angestellten-Gewerkschaft") was held from 11 to 15 October. It examined 680 proposals and studied an extensive programme of social policy which introduces a system of qualified co-management for employees in enterprises with a staff of over 500 and their participation in the productive capital.

<sup>1</sup> On 13 February 1895 industrial employers of Belgium set up their first national trade organization: the "Central Committee for Industrial Work". On 10 April 1946 this organization was renamed "Federation des Industries Belges" (FIB).

125. The annual Assembly of the *Bundesvereinigung der Deutschen Arbeitgeberverbände*—BDA (Federation of German Employers Unions) was held on 7 and 8 December 1971; the topic for discussion was "Freedom for a Productive Society"; working groups thoroughly examined the different aspects of this theme.

126. In France, the National Council of French Employers (*Conseil national du patronat français*) confirmed in the conclusions adopted at the close of the general assembly of 19 January 1971 its determination of following the contractual policy of the competent authorities for the various employers' organizations; such policy must be based on respect of the individual, his liberty and on adherence to engagements taken on both sides.

It should be pointed out that during this meeting the employers organization was not in favour of adopting a strictly automatic wage moving scale which it considers as too rigid.

127. The Twentieth Congress of the Staff Confederation—(*Confédération des cadres*: CGC)—was held in Paris early in June 1971; three main topics were discussed:

- (1) the short-term problems concerning the need to strengthen the administrative structures of trade union sections and the decentralization of Confederation action,
- (2) the Confederation's relations with the Government, employers and workers organizations,
- (3) the new society and the crisis of civilization.

128. The Eleventh Confederal Congress of the GGT—*Force ouvrière*<sup>1</sup> was specially dedicated to the analysis of national and international economic developments and their social implications. The Congress voted an "economic resolution" proposing various solutions to the numerous problems which are bound to affect the life of workers and pointing out the need for joint action at international level.

Delegates also examined and approved a statement on "Syndicalism in Society" relating past action by the trade-union movement, its development, its outlook and the role it proposes to play in society.

129. During the course of its Thirty-sixth Congress, the CFTC confirmed its determination of obtaining compulsory mediation on work conflicts and

<sup>1</sup> CGT = *Confédération Générale du Travail*.

recommended a reform of the Enterprise and an overall contractual policy on wages and prices. The Congress stated moreover that it would support any system of participation which could result in joint management of the enterprise.

130. In Italy the three main trade unions—CGIL, CISL and UIL—continued throughout 1971 at different levels and between syndicates, their discussions on trade union consolidation. Discussions revealed that three “different points of view” prevented the consolidation process, viz:

- (i) incompatibility and autonomy;
- (ii) contacts with land workers;
- (iii) the position of the single trade union at international level.

On 28 October 1971, however, after a lengthy meeting the confederations' secretariates reached an agreement enabling them to overcome the differences outlined above.

Thus, at the close of the second joint meeting<sup>1</sup> of the general councils of the CGIL, CISL and UIL held in Florence from 22 to 24 November 1971, the delegates decided that congresses of dissolution for each confederation would be held separately on 21 September 1972 and that the Constitutive Congress of the new single national union of Italian workers would be convened in February 1973 at the latest.

131. Throughout the year the CGIL, CISL and UIL collaborated closely and concerted action was generally assured also the joint formulation of revendications. Several documents were approved and published jointly by the three trade unions. These dealt with:

- (a) proposals for putting into practice Mansholt's Memorandum and also the trade unions' point of view regarding the various aspects of agricultural policy both at national and Community levels;
- (b) school reforms;
- (c) the economic and social situation of the country with objectives of full employment, reforms, price fixing, safeguard of wages and improvement in working conditions.

The CGIL, CISL and UIL also organized joint congresses on the following topics:

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 100.

- (1) a new economic policy of full employment, reforms and development in the Mezzogiorno;
- (2) the role of the iron and steel sectors in enterprises with State participation and action to be taken by the trade unions in this sector;
- (3) problems arising from a common trade union strategy at EEC level;
- (4) protection of health, of physical fitness and migrant workers' rights in EEC countries.

132. For the employers, the Chairman of Cofindustria, in a speech on 27 April 1971 at the annual assembly of this organization regretted that due to continuous pressure, to disorders and trade unions revendications, fulfillment of any economic programme has been prevented; he also recalled the stagnation in national consumption accompanied by a dangerous inflationary trend due to rising costs and increasing difficulties in exports. Employment, he said, was affected by the present crises in the various sectors, for instance in the building trade, textile and paper industries; in his opinion these may soon lead to increased under-employment.

133. On 16 September 1971 a trade union of the private metallurgical industry was set up inside Confindustria. The main object of this new federation is to look after the interests of the metal industry and to formulate collective work agreements.

In a document approved early in October 1971 and delivered to the Italian Government, Confapi (Italian Confederation of small and medium industries) condemns the deterioration in production and in consumer demand; in consequence it seeks the speedy adoption of appropriate measures to change the present unfavourable economic trend.

134. In Luxembourg the trade union organizations which are part of the National Council of Trade Unions<sup>1</sup> prepared a short term programme on work legislation, social security and price and income policy.

135. In the Netherlands the three trade union confederations pursued during 1971 their consultation campaign organized amongst their members concerning the so called programme for concerted action ("concept-actie-programma")<sup>2</sup>, which was published.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 101.

<sup>2</sup> *Ibid.*, sec. 102.

National trade unions also supplied their members with details of various decisions taken by legislators concerning representation of workers in enterprises. In particular, the law setting up enterprise councils (*Ondernemingsraden*) which came into force on 1 April 1971 was provided with useful commentaries to ensure its efficient application in enterprises.

136. The Union of the Dutch Confederation of Employers (*Raad van Nederlandse Werkgeversverbonden*), a cooperating organism set up by the Association of Dutch Enterprises (*Verbond van Nederlandse Ondernemingen*) and the Dutch Confederation of Christian Employers (*Nederlands Christelijke Werkgeversverbond*) published a pamphlet on social policy of enterprises (*Sociaal beleid in de ondernemingen*); it aims at helping enterprises to apply measures on participation and democratization inside the company. It was discussed at several meetings organized by employers organizations. They also published a study on absenteeism through illness. The reason behind this study is the increase in absence through illness which has been noticed since 1967 both as regards the number of individual cases and the average length of illness. As a percentage of working hours, time lost through illness doubled between 1960 and 1969.

137. In November 1971, the NVV (Socialist Confederation) held a conference on education; the discussions dealt with problems of post-school education in relation to the "Note on measures to be taken on the education and employment of young workers" sent on 15 September 1970 by the Secretary of State for Education and Science and by the Minister for Social Affairs to the President of the Lower Chamber of the Dutch Parliament.

## WORKERS REPRESENTATION INSIDE THE ENTERPRISE

### *At community level*

138. Specific social problems of a real and adequate representation of workers inside enterprises which is the aim of the proposition on the statute of a European limited company, continue to be examined by the committees and competent working groups of the European Parliament and by the Economic and Social Committee. The competent Parliamentary Committee held hearings of scientific, trade unions and employers experts.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 103.

*At national level*

139. In Belgium, the law of 17 February 1971 modifies the one of 20 September 1948 on economic organization and the law of 10 June 1952 on health and safety of workers and health hazards of work and places of work. Two Royal Decrees of 18 February 1971 amend or abrogate the arrangements for electing staff delegates to committees on safety, health and for the improvement of places of work.

A new statute was drawn up by the National Work Council adopting on 24 May 1971 a collective agreement in place of the national agreement of 7 June 1947 but from which it draws its principles and makes them more explicit on many points.

The main objectives of the new agreement are:

- (1) to ensure exchange of information between employers and trade union delegations on the one hand, between delegations and workers on the other,
- (2) to set up clearer rules for the protection against arbitrary laying off of trade union delegates,
- (3) to grant certain facilities to trade union delegates to enable them to carry out their mandates with the possibility of having free time for training,
- (4) to make possible fuller concertations between trade union delegates and their officials.

140. In Germany, the Bundestag approved in November 1971 the Government project amending the law on enterprises organization (*Betriebsverfassungsgesetz*). The reform provides for the following improvements:

- (a) extension and protection of individual rights of workers,
- (b) extension of the right of enterprise councils to participate and cooperate in social and economic matters and in personnel management,
- (c) carrying out trade union rights in the enterprise,
- (d) improve the protection and facilitate the activities of enterprise councils,
- (e) extension and strengthening of rights given to young workers' representatives. This law will come into effect in January 1972.

141. The German Employers Confederation opposed this Government project which could hinder the efficient working of enterprises. Trade unions, on the other hand, received the law favourably and see in it an acceptable compromise.

142. In March 1971, the General Confederation of German Workers (DGB) presented a project of participation in economic life as a whole. This project provides for the setting up of three kinds of economic and social councils at Bund, Länder and regional levels. At Federal level the Economic and Social Council would consist of 140 of 160 members elected for 4 years by the national organizations of workers. It would be able to deal with all that concerns social and economic policies, including financial, transport, and fiscal matters and would be authorized to present draft laws. The councils set up at Länder and regional levels should be given corresponding powers.

The German Federation of Chambers of Commerce and Industry (DIHT) opposed these propositions and stressed the danger that would arise through the transfer of Parliamentary powers to new authorities.

143. In Italy, the gradual substitution of internal committees by establishment councils (*consigli di fabbrica*) strengthens in particular the right of intervention and of control on work organization inside the enterprises.

The results of the first fifteen months since the application of the law on the "statute of workers" are generally considered as being favourable. The statute has helped in particular to remove certain drawbacks on the acknowledgement of trade union rights inside the enterprise.

Employers however consider that from a legal aspect the application of this law caused uncertainties in working relations through divergent decrees and gaps in criteria of application.

144. In Luxembourg, the Government submitted for the advice of the Economic and Social Council, a Memorandum on the main choices to be made on joint management especially in view of experiences on setting up new structures for discussing the rights of companies. The Council is required to express its opinion on problems concerning the establishment of joint committees in enterprises.

145. In the Netherlands, the law on enterprise councils<sup>1</sup> affecting companies of 100 or more employees came into force on 1 April 1971. It

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 108.

stipulates in the internal regulations for enterprise councils that a number of days shall be set aside for teaching and training elected members enabling them to carry out their functions.

Opinion was sought on 23 April 1971 from the Economic and Social Council on ways of introducing joint management of companies of less than 100 employees. This request concerns also the eventual provision of funds to provide for teaching and training of enterprise council's members.

146. The Lower Chamber of the Dutch Parliament approved a draft law on "closed companies" which stipulates that companies with a limited number of transferable shares can be considered as closed companies but that at a certain level (total balance sheet 8 million Florins and over 100 employees) they will be compelled to publish yearly balance sheets with supporting documents.

The Lower Chamber also adopted a draft law modifying the structures of limited companies and of "closed companies" (*Besloten vennootschap*). This draft contains provisions concerning the purpose, composition and authority of the supervisory council (*Raad van commissarissen*).

## STRIKES

147. In Belgium there was no spectacular change from 1970. However in the mining and metallurgical industries, in shipyards, electrical engineering, textile and glass industries demonstrations occurred, occasionally serious and involving a relatively high number of workers. In the steel industry of the Liège region and for the first time ever there was a 4-week strike following amalgamations toward the end of the year. Some 30 000 workers were directly or indirectly involved; the strike was for a better harmonization in workers' wages in certain sectors of the industry.

148. In Germany, following the difficult wage negotiations in the chemical industry of Northern Rhineland-Westphalia, Hesse and Hamburg, total and token strikes for set or illimited periods occurred in June; some resulted in legal procedure to ascertain whether a strike without basic consultation is legal or not.

149. Following the breakdown in negotiations over the renewal of collective agreements a three week strike occurred in the metallurgical industry of Baden-Wurtemberg. Employers organizations retaliated by a lock-out which affected over 500 000 workers. This social conflict affected partic-

ularly the motor vehicle industry and its sub-contractors; it resulted in reduced production and the closing down of factories in other sectors and other regions even outside the Federal Republic. After attempts at reconciliation broke down, the two sides of the industry finally agreed increases in wages of 7.5% from 1 January 1972, the payment of a single premium of 180 D.Mark net for the last three months of 1971 with a two-stage guarantee of a thirteenth month with pay of between 10 to 40% of contractual wages.

150. In France, the larger number of social conflicts in 1971 meant more lost days than during the previous year (1 700 00).

In general employers showed a less flexible attitude to trade union revendication as evidenced by lengthier confrontations.

During the year there was a series of prolonged strikes in the nationalized sector and in the public services: SNCF, Charbonnages de France, RATP, the metallurgical sector of the Nantes region, docks (Nice, Brest, Marseilles and Le Havre) and the motor vehicle industry (Berliet, Renault). Trade union revendications covered not only the usual increase in wages and reduction in working hours but also improvements in working conditions, in security of employment and trade classifications.

151: In Italy many strikes and stoppages broke out:

- (i) either during the renewal and application of companies agreements,
- (ii) or for the safeguard of threatened employment through total or partial shutting down of several enterprises since laying-offs are increasingly numerous and employers are reducing working hours.

152. Strikes called by trade unions for the usual revendications such as reforms and renewal of collective working agreements were less frequent than in 1970.

In the private sector, strikes affected mainly the docks, the textile industry, building trade, agriculture and certain commercial and tourist sectors.

In the public sector, a series of strikes were called by postal staffs for a reorganization of the postal services and by semi-public authorities to compel the Government to respect the engagements taken in 1970 and to issue without delay the law modernizing the sector.

The 24-hour general strike called by the CGIL, CISL and UIL should also be mentioned; its object was to insist upon the carrying out of reforms in accordance with the commitments taken by the Italian Government.

153. In the Netherlands several partial strikes such as wildcat strikes or localized stoppages occurred.

Notices were issued to reinforce the trade unions positions during negotiations for the new building trade collective agreements. Thanks to a conciliatory procedure agreement was reached.

The problem of temporary staff agencies (*koppelbazen*)<sup>1</sup> came again under discussion but the concern shown initially seems to have been dispelled. 30% of the demands for permits to run such agencies was approved, large agencies for temporary administrative staff being included in this figure. No permit was granted for the Rotterdam region in the metallurgical sector where this problem caused in 1970 a serious disturbance in social peace. Both sides endeavour through joint negotiations to find a solution to the current problems of tension in the employment market.

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<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 114.

## CHAPTER IV

### LABOUR CONDITIONS AND LAW

*Measures to guarantee security of employment were amongst the main objectives in conditions of work during the period under reference. Due to the employment situation in a number of economic sectors, trade unions intensified their attitude towards better guarantees of employment by having recourse to measures within enterprises as for instance internal transfer to other positions, maintaining the same trade classification, the same wage level, longer notices of laying off, increased indemnities in case of laying off and programmes of trade adaptation and reconversion. In many cases appropriate legislation was passed.*

*These measures aim at preventing or at least at reducing the negative social consequences of the economic and technical process of development and particularly the quantitative and qualitative employment problems which arise. As a result, the intensity and speed of this development process frequently determine the nature and the adequacy of the measures taken which vary considerably from country to country and—when dealing with regulations introduced through collective bargaining—vary also substantially from one sector to another within a same country.*

*In this connection, the Commission has endeavoured to ascertain if arrangements applicable in the Member States of the Community concerning laying off meet the social needs of the economic and social process, desirable in its principle whilst ensuring for workers the necessary security of employment, without,*

*in so doing complicating or even preventing the speedy adaptation of enterprises to new market situations.*

*The Commission reached the conclusion that economic integration proceeding hand in hand with an increasing overlap of the European labour markets is such that as regards legislation on notices of laying off, it seems inconceivable to apply in similar situations provisions which are sharply different and lead to results which are different.*

*In consequence it submitted to the Council the following suggestions which it believes could be included in a programme for improving and harmonizing the condition of work in accordance with provisions of Articles 117 and 118 of the Treaty establishing the EEC and of Article 3 of the Treaty establishing the ECSC:*

- 1. Reasons for laying off,*
- 2. Length of notice,*
- 3. Allowances and aids,*
- 4. Role of organisms representing workers and authorities,*
- 5. Provisions for the protection of certain categories of workers,*
- 6. Special regulations in cases of collective laying off.*

*By acting in this way the Commission has shown also that the problem of security of employment cannot be solved only by means of legislation on notices of laying off and that it is increasingly necessary to have recourse to parallel measures, in an employment policy and trade vocation to give the worker a wider professional mobility enabling him, should he be laid off, to find without difficulty employment of similar kind.*

*The social and economic importance of this question has been stressed on different occasions, particularly in the Commission's Second Medium Term Economic Policy Programme and more recently in its "Preliminary Guidelines for a Community Social Policy Programme".*

*Finally, actions grouped under one term "monthly payments" belong also to the kind of problems relative to strengthening work security in so far as it is not a question of a simple*

*technical reorganization for working out and paying out wages but of a complete change in the status of workers in the sense of an alignment with the status of employees.*

*In certain countries (France, Italy, the Netherlands), there is a noticeable development in this direction through changes in the traditional techniques of vocational training.*

*This evolution is less noticeable in other countries.*

*The Commission sees in this approximation and integration process of workers groups not only an opportune change in the way of appreciation of the person but also, and equally important, an improvement in the security of his employment.*

*Concerning security for young workers, some progress was made in certain countries (Belgium, France, Italy, the Netherlands). The Commission would have wished, however, that more notice had been taken of the recommendation of 31 January 1967 sent to the Member States concerning protection of young workers particularly as regards the minimum age for entering employment which the recommendation fixed at 15 years of age and stated "the Commission is aware of difficulties still existing in large parts of the Community regarding extension of the school leaving age; however it believes it is essential that these difficulties be overcome as soon as possible".*

*Regarding hours of work, the evolution towards the 40 hour week as normal duration of work continues. In certain cases, for instance the German industry, this objective has practically been attained through collective bargaining. In other cases, the gradual reduction over several years to a 40 hour and 5 day week is anticipated. On the other hand, particularly in Italy, an actual reduction of work occurred through a slowing down in production.*

*In all Member States, there were improvements concerning length of paid holidays.*

## MEASURES FOR THE SAFEGUARD OF WORKERS IN THE EVENT OF REDUCTION OF EMPLOYMENT IN ENTERPRISES

154. In Belgium, legislation on closing down of enterprises was revised by the law of 28 July 1971. The laws concerned are those of 28 June 1966 (allowances to laid off workers) of 30 June 1967 (wider scopes for allowance funds) and of 20 July 1968 (allowances for waiting periods).

The main object of this revision is the application of these laws to enterprises employing 20 workers at least (25 workers previously) and had, as a consequence, the wider applications of laying off and waiting allowances. Henceforth, older workers are entitled to a supplementary allowance for every year above the age of 45 on top of the normal laying off allowance. Some major improvements were made to the law of 28 June 1966 according to which the laying off allowance can be granted to certain categories of workers previously excluded (through a wide understanding of seniority and period of employment).

Finally, it should be stressed that the law of 30 June 1967 guaranteeing payment of allowances, indemnities and benefits when the employer defaults on such obligations is now applicable to all enterprises irrespective of the number of workers employed.

155. In Germany, the new law on internal organization of enterprises, published in November 1971 (see Chapter III, sec. 140) strengthens the right of the establishment's council in cases of laying off, thus improving substantially workers individual safeguard. Any laying off without consultation with the establishment's council or without notice is illegal. The establishment's council can oppose, for certain reasons, ordinary laying off with the result that such laying off is illegal if it is shown that these reasons do exist. The employers must supply the worker with a copy of the council's decision opposing laying off. In case of opposition by the establishment's council, the worker can request his temporary reinstatement until proceedings before a Works Tribunal are completed.

By virtue of the new law on internal organization of enterprises, the establishment's council enjoys substantial rights to information and of consultation. In the event of disagreement between the establishment's council and the employer regarding the indemnity or reduction in economic consequences to be borne by workers through restructurization (or by closing down), a social plan with compulsory application is laid down during the reconciliation process.

New rationalization agreements were reached in 1971 for the protection of workers against reduction of employment through restructurization or conversion measures. They apply to the different sectors of the brewing, paper making, wood, plastic materials and ready to wear industries and lay down compensation payments for laying off and the upkeep of the level of remuneration in cases of assignment to jobs carrying lower pay.

In order to better line up production with off-take possibilities of the market, Ruhrkohle AG adopted at the end of June 1971, an overall readaptation plan. The grant of special State aids to workers laid off as a result of enterprises closing down or through rationalization will facilitate the application of relevant measures. Workers of 50 years of age and over will benefit from such aid provided that within 5 years, in the case of miners, they satisfy the conditions for retirement pension or the provisions for allowances and that they have paid their contributions over a certain number of years. Government rules specify that aids (called "readaptation allowances") are calculated on the basis of the retirement system for miners and are payable up to the time of receiving their normal pension.

The "overall social aid plan" of the Federal Government which is the standardized combined system of allowances granted by the State and by enterprises to workers affected by closure has also been subjected to a few modifications. For instance, a worker is entitled to keep his employment where the aid mentioned earlier does not reach a certain minimum. Enterprises have the option of cancelling the right of maintaining the job provided they contribute additional grants up to the minima laid down.

156. In France, in the spirit of the national interindustrial agreement on security of employment of 10 February 1969, sub-sector agreements were also signed in 1971.

Some of these agreements limit themselves to repeating the inter-industrial agreement provisions, others improve on the guarantees offered to staff threatened by layoffs.

Positive results have been obtained regarding the application of the interindustrial agreement mentioned above: most of the round table national committees on employment by sectors have been set up, the situation seemed to vary for round table committees at regional level but the security offered to workers in case of reduction in employment has generally been assured.

157. In Italy, by virtue of provisions of law No. 184 of 22 March 1971, financial assistance is provided for industrial enterprises whose restructurization or conversion assures the same level of employment as previously. These financial interventions are meant to cover among other items, expenses which enterprises will have to bear for retraining workers already employed or those likely to be employed after completion of the programmes mentioned.

Collective agreements by enterprises which, in the case of restructurization or reorganization guarantee the same remuneration to their workers as that provided under the conventional duration of work should also be mentioned. By virtue of other provisions of the same nature, the same remuneration is also assured to workers who would become supernumerary after restructurization and reorganizations have been carried out and for as long as workers have not found employment in similar industrial activities.

158. In the Netherlands, measures concerning the status and employment of workers in cases where a reduction in employment compels to layoff have been included in some collective agreements. Also the problem of laying off is under study by the Employment Council. Measures for the protection of workers are expected to be agreed in cases where collective laying off becomes inevitable.

#### SAFEGUARDS FOR PARTICULAR GROUPS OF WORKERS

159. In Belgium, Parliament adopted a law on work (law of 16 March 1971)<sup>1</sup>, aiming to ensure a better protection for young workers and to achieve an initial coordination of certain relative laws. This law takes largely into account the EEC recommendations of 13 January 1967. Although the lowest age limit for commencing work is set at 14, it will be linked automatically to the compulsory school leaving age.

With a view to ensure protection of temporary workers the Minister of Employment and Labour proposes to place before Parliament a draft law; the National Labour Council has expressed its opinion on this draft law.

160. In Germany, the Federal Ministry of Labour and Social Affairs is working on a regulation concerning employment of women as drivers.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 127.

This regulation seeks to lift the general ban to the employment of women as drivers of trams, buses or heavy vehicles exceeding 3.5 tons, and to set up a system of protection of workers health through regular preventive medical examinations in particular.

On 6 May 1971 the new text of the *Bergmannsversorgungsgesetz* (BVSG) (law on miners' assistance vouchers) of the Northern Rhineland-Westphalia "Land" was published. It provides in particular for workers previously employed as miners and whose health is threatened, special employment guarantees and guarantees against being laid off:

- (1) henceforth, holders of miners assistance vouchers in excess of the compulsory 1% quota also benefit from the advantages of this law,
- (2) miners employed in positions where there is little or no dust can now obtain miners assistance vouchers,
- (3) workers of 55 years of age (previously 50) are still entitled to miners assistance vouchers.

Miners between the ages of 50 and 55 enjoy the benefits of the special guarantee against laying off under these modifications; they also enjoy the benefits of uninterrupted protection rights up to the time of payment of benefits.

161. In France, law No. 71-576 of 16 July 1971—applicable to apprenticeship contracts concluded from 1 July 1972—lays down the terms and conditions of the contract. The new provisions lay down that only those between the ages of 16 and 20 at the beginning of training can be apprentices but young people of at least 15 years of age may sign an apprenticeship agreement provided they have attended the first stage of secondary education. The time spent by the apprentice in an apprentice education center is considered as working time. Concerning payment for apprentices, a minimum wage is fixed for each period of six months of apprenticeship and is equal to a percentage of the minimum wage linked with age, the percentage being the highest for apprentices over 18 years of age.

162. In Italy, in pursuance of law No. 977 of 17 October 1967 concerning security of employment for minors; Presidential Decree No. 36 of 4 January 1971 lays down the type of light work for young people of 14 years of age in non-industrial activities, for instance in travel and tourist

agencies, chemist shops, insurance offices, financial and credit companies, the liberal professions, educational and entertainment associations, trade unions and political parties.

In order to ensure the application of other provisions of the law of 1967, mentioned above, enforcement texts are under preparation; they concern the specification of dangerous, heavy and unhealthy jobs forbidden to young men and women under the ages of 16 and 18 respectively, also the periodic medical examination for young people up the age of 21 employed in non-industrial activities but subjected to toxic, infectious or noxious substances.

As regards the protection of women at work two laws should be mentioned; the first concerns a five-year plan for setting up on a national basis a network of day nurseries for a total of 3 800 infants<sup>1</sup>; the second, modifying the present legislation on protection of mothers who hold jobs. The main features of the new provisions of this second law are:

- (a) it is not allowed to lay off an expectant worker as soon as her condition has been established,
- (b) suspension of work is also not allowed,
- (c) the compulsory period of rest from work shall be of 5 months for women workers in all sectors,
- (d) the maternity allowance shall be 80% of the wages for all women workers throughout the period of rest,
- (e) free hospital service shall be available even in cases of normal births,
- (f) women workers may be absent from work during illnesses of a child of up to 3 years of age.

Law No. 403 of 19 May 1971 also compels hospitals, clinics and health centers to recruit, under certain stipulated conditions, one or more blind physiotherapist-masseurs.

Several parliamentary draft laws modifying the present provisions concerning compulsory recruitment by public authorities and private enterprises were also discussed during the course of last year.

163. The Netherlands ratified Convention No. 100 of the ILO. This was made possible through the fulfillment of its principle which is now written in collective agreements.

<sup>1</sup> See also Chapter VII, "Family Problems", sec. 275.

Certain exemptions granted by the Minister for Social Affairs, which allowed wages to be fixed at a lower level than the legal minimum expired early in 1972. All workers, men and women, are now entitled to the same wage from the age of 23 (117.90 florins per week), including domestic servants.

By virtue of the law of 6 May 1971, compulsory school attendance has been fixed to 9 years of studies from 1 August 1971.<sup>1</sup> Article 9 of the Labour Act has been modified and does not allow work for young people under the age of 15. Young workers of 15 must follow courses during one day each week.

## TRADE UNION RIGHTS AND STRIKES

164. In Belgium an interprofessional collective agreement was signed within the National Work Council laying down the statute of trade union delegations in enterprises.<sup>2</sup> This agreement replaces the one of 16 and 17 June 1947.

165. In Germany, the verdict of 21 April 1971 by the Plenary Assembly of the Federal Labour Court on veto or resolution of lock-outs acquires a major importance for legislation governing work conflicts. According to this decision lock-outs can lead generally only to the suspension of the work contract as is invariably the case for strikes. In particular cases a lock-out can result in the cancellation of the work contract; in such cases the worker can apply for reemployment after settlement of the dispute. These are amendments and developments of the legislation laid down by the Plenary Assembly of the Federal Labour Court on 28 January 1955.

166. In France, law No. 71-561 of 13 July 1971 amends the system of collective agreements on work and mediations; it aims at adapting it to the evolution which occurred during the past twenty years in collective negotiations and trade relations.

The main points of this reform can be expressed as follows:

- (i) Collective negotiations have been organized at enterprise and industrial levels, industrial relations during the past twenty years having shown the importance of negotiations at these levels.
- (ii) New provisions have been introduced to widen the scope of collective negotiations. A joint national commission is now to be

<sup>1</sup> See also Chapter II, "Vocational guidance and training", sec. 81.

<sup>2</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 131.

convened to study the possibility of formulating collective negotiations as soon as at least two organizations apply for these; penalties will be imposed on any industrial organization not present. More flexibility is given in certain cases of the extension procedure. Other provisions of this law improve the security of wage earners covered by a collective agreement in the event of the cancellation of the agreement or in the case of merger, transfer, secession or change in the activity of the enterprise; the present collective agreement remains valid until a new agreement comes into force or failing this for a period of one year. Finally, conditions for membership have been widened and made clearer; one or more employers may now subscribe individually to a signed agreement; when there is total membership and the criteria of responsibility have been met, the rights of member organizations are the same as those of the signatories.

- (iii) The desire to broaden and strengthen the contract through the introduction of new conditions. In the first place the law recognizes workers rights to collective negotiations. Moreover, collective agreements which can be extended through regulations must, amongst other conditions, contain provisions on the procedure and frequency for revision of wages, temporary employment, partial employment of certain types of staff and their remuneration, the methods of organizing apprenticeship and its way of functioning, of trade vocation and further training, etc. Collective agreements must be signed by at least one representative organization at the level of application of the agreement; this applies to both agreements which can and which cannot be extended. Finally, in order to ensure that more information is made available to workers, heads of enterprises are required to supply enterprises committees with the texts of collective agreements and agreements which apply to enterprises themselves.
- (iv) On mediation, an amendment has been made to the system in force up to then. The parties have the option of challenging within eight days the mediator's proposal; no comment being considered as assent.

167. In the Netherlands, a draft law was presented to the Lower Chamber of Parliament on 29 April 1969<sup>1</sup> on the right to strike. By virtue of this law, strike action called or supported by trade union organizations in respect

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 134.

of the provisions of the law could, in principle, be lawful. Many recommended a closer study of all the problems linked to the right to strike. Employers organizations suggest the introduction of an eventual "cooling off period" already proposed by the Economic and Social Council and enforceable in cases where strike action endangers the nation's economic interests and those of the community in general. They believe that the "commissions of enquiry" which it is proposed should be set up will not, generally, have the time to deal with an appropriate mediation procedure.

## WORKING HOURS

168. In Belgium, the national interprofessional agreement of 15 June 1971 lays down that the normal working week shall be of 42 hours in 1972 and shall be reduced to 40 hours by 1975.

The Minister of Employment and Labour proposes to introduce in Parliament a draft law revising the legislation on wage payments to workers during a number of official holidays each year. This draft project is at present under study by the National Labour Council and contains, apart from the application to any person whether tied or not by a contract for hire, provisions which guarantee the payment of at least 10 days rest per year.

169. In Germany, new reductions in working hours were introduced. The 40 hour week is adopted practically throughout industry and in other sectors is now partially adopted (commerce, public services and private services) (see Table 1).

170. In France, studies concerning a new reduction of the maximum weekly hours of work, carried out in conjunction with workers and employers organizations within the working group set up to this effect by the Ministry of Labour resulted in the approval by Parliament on 24 December 1971 of a law enforceable from 1 January 1972 by virtue of which the maximum average weekly hours are reduced from 54 to 50 calculated on any period of 12 consecutive weeks and reduces from 60 to 57 hours the duration of work during any one week. An eventual duration of work exceeding the 50 hours mentioned above is exceptionally possible in certain sectors, regions and enterprises by way of special dispensation which may apply during certain determined periods of the year. Moreover, in duly justified exceptional circumstances, it is possible for certain enterprises to exceed over a limited period, the 57 hours mentioned above without however exceeding 60 hours per week. The agreement in

TABLEAU 1

(As at 31 December 1971)

Type of activity	Workers concerned (1 000)	Weekly duration of work in hours per 100 workers											
		less than 40	40	41	41.25 41.75	42	42.5	43	43.25 43.75	44	45	46-47	48
Agriculture, forestry, horticulture and fisheries	343	—	—	—	—	15.5	—	13.4	—	9.6	54.8	6.7	
Extractive industries and energy	312	—	97.3	0.4	—	1.0	0.0	1.2	—	0.1	—	—	
Industry of basic materials and producers goods	1 440	—	87.0	0.4	3.0	9.2	0.3	0.1	—	—	—	—	
Metallurgy in general	4 312	—	100.0	—	—	—	—	—	—	—	—	—	
Consumer goods industry	1 969	—	91.2	3.6	4.0	1.1	—	0.1	—	—	—	—	
Food, beverages and tobacco industries	524	—	50.7	7.8	3.5	15.7	12.1	8.2	0.1	1.9	—	—	
Public and private works and ancillary industries	1 737	—	98.0	0.5	—	1.5	—	—	—	—	—	—	
Handicrafts	1 159	—	67.7	10.1	0.3	4.3	0.1	4.5	—	10.1	2.1	0.5	0.3
Commerce, banking, insurance	2 627	—	48.4	—	18.7	3.5	33.8	0.5	—	—	0.1	—	
Transport and telecommunications	521	—	—	—	—	76.8	—	4.6	—	11.8	6.8	—	
Private and public services (excluding civil servants)	1 839	—	3.1	5.7	—	76.6	1.6	0.7	—	12.3	0.0	—	
Total	16 783	—	70.0	2.1	3.0	13.5	5.9	1.2	—	2.6	1.5	0.2	0.0

the metallurgical industry should be mentioned on the conventional plane; it marks a new step in the policy of gradual and effective reduction of the hours of work of all wage earners, and aims at 40 hours per week.

171. In Italy, it should be mentioned that at legislative level the Government proposes to submit to Parliament a draft law to ratify convention No. A7 of the ILO concerning the principle of the week of 40 hours and to modify the current legislation on weekly hours of work and weekly and annual periods of rest for wage earners. On the other hand several parliamentary draft laws submitted last years are along similar lines and foresee the adoption of a continuous work time table.

As regards collective negotiations, the renewal of collective agreements—which at the time of writing concern about 600 000 wage earners—confirmed in 1971 the trends noticed during previous years, viz. a sharp reduction in the hours of work, a gradual adoption of the 40 hour week spread over 5 days, a limitation of over-time and increased rates of remuneration of those hours.

The effective hours of work in industrial enterprises was negatively influenced by the slowing down in productive activity. Work indices in industry—drawn from the Central Statistical Institute's sample survey in industrial establishments with 10 wage earners or less—showed in August 1971 a reduction of 3.7% in the monthly hours of work per worker compared with the same month of the previous year, and for the period January-August 1971 a reduction of 4.4% compared with the same period of 1970.

This evolution is also confirmed by the data on the participation by the "Wage Integration Fund". Indeed, "integrated" hours during the period January-September 1971 reached nearly 158 million whilst they had been slightly over 54 million during the same period of the previous year. "Integrated" hours are particularly high in construction activities (40% of the total of the integrated hours for all sectors) and in textile (22%).

172. In Luxembourg, the law of 9 December 1970<sup>1</sup> on the reduction and control of the hours of work for workers in the public and private sectors of the economy stipulates that the duration of work shall not exceed:

- (a) 44 hours (instead of 48) per week as from 15 December 1970,
- (b) 40 hours per week as from 1 January 1975.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 139.

The application of this law shall in no case result in a reduction in wages; a transitory provision lays down a time schedule for the period up to 31 December 1979 according to which overtime on a gradually reduced scale may be worked (with a maximum of 4 hours per week) without prior approval.

The law of 12 November 1971 reforming the legal regulation on services of hired private employees stipulates that the normal hours of work shall not exceed 40 as from 14 January 1972. A transitory provision sets a time schedule for the period from 1 January 1972 to 31 December 1973 according to which 2 overtime hours can be worked in 1972 and 1 overtime hour in 1973 without prior approval.

A collective contract concluded in March 1970 lays down for technical employees of the iron and steel industry and iron ore mines a reduction in the duration of work to 42 hours with effect from 1 January 1971 and to 41 and a quarter hours from 1 January 1972 (office employees have had the 40 hour week since 1 January 1970).

173. In the Netherlands the weekly duration of work has been stipulated in most of the collective agreements of 1971 as 42½ hours for manual workers and from 40 to 41½ hours for employees.

## LEAVE

174. In Belgium, the interprofessional national agreement of 15 June 1971 stipulates that the fourth week holiday shall be enforceable in 1975 and that its first two days shall be granted in 1972, according to the method of application and remuneration to be determined by the joint commissions or, failing these, by the enterprises.

This agreement also lays down the additional periods of leave for trade-union training of workers both at general and professional levels. This would apply in particular whilst participating in courses and seminars, without any loss of income.

175. In Germany, duration of leave has been extended through collective agreement, particularly by excluding Saturdays from the calculation for leave; this applies to insurance, banking, the bottle glass sector and the various sectors of the textile industry. The present duration of leave is set between 19 (basic leave) and 25 working days (maximum leave). The average leave is of 24 working days.

Agreements concerning holiday increments were improved upon and new agreements were concluded. These agreements come into effect at the end of the period under reference for over 10 million workers. They grant increments—outright or as a percentage of salary—which exceed by 25 to 30% the normal amount.

In 1971 more than 150 collective agreements involving a total of 4 million workers stipulated leave for training and 78 conventions involving 2.5 million workers—particularly in the public sector—laid down remunerated leave for training. In most cases, such leave is restricted to members of enterprises committees; it is granted much more rarely to the whole labour force of an enterprise.

Non-remunerated training leave is now provided for in 71 collective agreements involving 1.5 million workers. In general, all workers of an enterprise are entitled to this.

Training leave generally lasts one or two weeks.

176. In France, law No. 71-575 of 16 July 1971 dealing with educational leave should be mentioned; it lays down the organization for continued vocational training as part of general education which bears mainly on educational leave to which all wage earners are now entitled.

Amongst the conditions laid down for the right to vocational training the following should be mentioned:

- (i) the training period must have been agreed by the State,
- (ii) training cannot exceed a certain duration, i.e. one year for full-time training, 1 200 hours in the case of part-time or interrupted training,
- (iii) two years employment in the enterprise,
- (iv) the percentage of workers absent from the enterprise at any given time shall not exceed 2% of the total labour force in establishments of 100 or more wage earners.

177. In Italy, the renewal in 1971 of collective agreements brought substantial improvements to the length of remunerated leave and, at the same time, ironed out difficulties which existed on this score between employers and workers. The minimum of three weeks leave is now general not only in all branches of the industry but also in agriculture and services.

178. In the Netherlands, the legal minimum leave for young workers was increased from 3 to 4 weeks. In most agreements the length of holidays has been increased by one day making the annual average 18 working days.

## OTHER FIELDS OF LABOUR LEGISLATION

179. In Belgium, the law of 30 June 1971 provides for fines on top of penal sanctions. This law was introduced because in cases of infringements of social legislation, penal sanctions were seldom applied.

180. In Germany a draft law on the control of temporary work was presented to the Bundestag. The new regulations aim at a better protection of hired workers, viz. workers placed by agencies at the disposal of employers for varying periods of time. The draft law lays down the obligation on part of the employer to seek prior authorization and gives better security to temporary workers regarding their work and their social insurance. Placing foreign workers who have no work permit is subject to more severe sanctions.

In 1970, the Committee of Experts appointed by the Federal Government pursued its preliminary task of preparing a new Labour Act. This Committee also received a draft project of a second law revising labour legislation and which was partly drawn up during the joint discussions between representatives of the Federal Ministry of Labour and the parties to collective agreements. This draft law aims at the continued standardization of provisions on labour legislation, started by the first law reforming labour legislation. At the same time, certain legal amendments are to be effected with a view to more progressive social regulations. It concerns mainly the law on workers responsibilities, provisions for breach of work contract and competition restrictions after expiry of the work contract. It is also anticipated that the form of procedure by tribunals competent to deal with labour legislation will be modified.

181. In France, law No. 72-1 of 3 January 1972 lays down the procedure for temporary work, it defines temporary work and provides for the protection of temporary workers, representation of staff in agencies for temporary work, participation, social security and accidents at work.

## MONTHLY PAYMENT

182. In France, a return prepared by the Ministry of Labour of agreements reached on monthly payments shows that as on 31 July 1971, 49 national or interregional agreements were concluded; they amend about 70 national collective agreements and concern about 75% of workers in the private sector.

As regards laws and regulations, a series of decrees of 23 December 1970 raises from 50 to 90% of basic wages the rates of daily allowances paid during pre- and post-natal leave. By virtue of the law of 24 June 1971 monthly payment in the rule and fortnightly payment the exception. Under the terms of this law, from 1972 the Government must present to Parliament every year a report on this matter. This legislative text explains what should be understood by agreement or convention which, apart from providing for monthly payment, also provides for the extension to workers of all or part of the advantages granted to monthly salaried staff.

183. In Luxembourg, an agreement at enterprise level has just been concluded under the terms of which shift supervisors will benefit from 1 January 1973 from all the provisions contained in employees collective contracts; they will not participate, at least temporarily, in other advantages given voluntarily to staff in the iron and steel industry (higher pensions, higher accident insurance, etc.), nor can they be affiliated to the pension funds of private employees since the legal provisions governing this affiliation are the same as those which determine the statute of the private employee.

During the interim period to 1 January 1973, shift supervisors will earn monthly wages which are still payable in cases of illness extending over a period of 6 months of the year.

184. In the Netherlands, due to wage moderation measures, monthly payments have made only slow progress. Only in a few metallurgical enterprises and small sectors of industry (beverages, rubber, thermoplastic) some progress was recorded, especially in the monthly instead of weekly payment of manual workers.

## WORK JURISDICTION AND STATUE LAW

185. In Italy, as regards jurisdiction, new regulations concerning individual disputes on labour legislation, compulsory State insurance and social assistance were approved by the competent committee of the Chamber of Deputies. These new provisions aim at a greater flexibility in procedures and a swifter protection of workers rights.

Other draft laws prepared by Parliament aim at exempting such disputes from payment of duties, taxes and expenses of any nature.

Concerning statute law some decrees of the Constitutional Court should be mentioned.

The practice of grouping irrationally and arbitrarily weekly days of rest and to grant these after long periods of work or all at the same time is contrary to Article 36, third paragraph, of the Constitution. Indeed the words "weekly rest" express fundamentally the concept of regular periods of rest which must be normally granted on the basis of one day's rest for six days of work (Decree No. 146 of 30 June 1971).

On appeal by the interested party a magistrate can modify the minimum wage and set it at a level which corresponds to the principle of "sufficient wage" promulgated by Article 36 of the Constitution. In fact Article 7 of law No. 741 of 14 July 1959—introducing the possibility of extending "erga omnes" collective agreements reached between two sides—did not give magistrates the option of adapting workers wages fixed during collective negotiations and which had since become insufficient (Decree No. 156 of 7 July 1971).

The distinction between "workers" and "employees" based on the criteria of the law of 1924 on private employment does not provide under the present system of work relationship a standard of clear discrimination on the earning capacities of these two types of activities in relation to the system of social security (Decree No. 160 of 7 July 1971).

Laying off of workers in private enterprises will have to be notified in writing and, upon request of the interested parties, will have to be motivated, even in the case of workers having reached the age of 65 but not yet retired or not fulfilling the legal requirements for old age pension. The provisions in force hitherto on the matter were considered as contrary to the constitutional principles of the right to work and equality of citizens (Decree of 14 July 1971).

It should be stated, finally, that many decrees were confirmed and sometimes extended in accordance with the general principles of law No. 300 of 20 May 1970 concerning the "statute of workers".

## CHAPTER V

### WAGES AND ASSET FORMATION

*During the period under review the development of wages as well as the trends, problems and applications of wage policy have been dominated by the fact that all the Community Countries have been faced as in the previous year with persistent inflationary pressure and moreover with an uncertain monetary climate and the start of a slowdown in economic expansion. In this overall framework, the main trends of wage policy indicated for 1970 in the previous report appear again in 1971, but in general less sharply. Thus the priority attention to raising the lowest incomes may be noted in Belgium, France and Italy. The various systems of automatic sliding scales have worked more rapidly in the three countries concerned (Italy, Belgium, Luxembourg) simply because of the changing consumer prices. In the Netherlands, the automatic adaption of wages to price increases is a continuing trend: almost all the collective agreements made in 1971 have index clauses written in. In France, the more flexible systems of adjustment or protection of buying power have apparently spread from the semi-public sector into the private sector. The trend towards monthly payment of workers has appreciably amplified in Italy, strongly in France, and is showing up in Luxembourg, whilst in the Netherlands fresh progress has been curtailed following restraining measures on wages. In the field of asset formation, a drive in a new direction has been started in Germany with the decision in principle by the government to set up an overall system encouraging the participation by low income groups in the productive capital. A system of housing saving has been set up in Luxembourg.*

*But the main hallmark of 1971, as regards wage policy, seems to be the development that occurred in the efforts, concepts, and roles of management and labour. The trend has generalized where the parties to collective agreements are basing their negotiations on more objective material, notably in the use of statistics, on more concrete data and criteria, and at the same time are considering, more broadly than before, general currents of economic and social conditions. Similarly, trade union attention has been directed more than ever—not only towards movements and policies on prices to protect purchasing power, but also in the light of available income and the standard of living—towards social transfers, collective institutions and especially towards problems of fiscal policy and structure. Here one may note the confrontations involved in the sizeable projects for fiscal reform set up in Italy and Germany, of which one of the aims is of a social nature.*

*This twofold development, naturally of varying intensity per country and the priority concerned, is especially encouraging for it fits in with the twofold guidelines in these areas at Community level, namely in the framework of short-term economic policy (Annual report on the Community economic situation in 1971) and in the compass of medium-term economic policy (3rd programme) or social policy (Preliminary guidelines for a Community Social policy programme).*

*It can certainly be claimed that the inflationary trends felt everywhere have contributed to the growing concern of management and labour over general economic and social developments. But although it is recognized that over-high wage increases could sometimes be shown as inflationary on the plane of production and manufacturing costs, this awareness, albeit fortunate for the general interest of the Community, cannot let one forget that sometimes profits may afford appreciable wage increases without unavoidable effects on investments and production prices. Moreover, in seeking to control the movement of consumer prices, one should remember that there are also sometimes solid profit margins in the channels of distribution. Therefore, concern over wages clearly cannot be exclusive and all other types of income should be subject to the same attention, indeed vigilance, even if available information, mainly statistical, is still only approximate.*

*The freedom of decision for management and labour is unquestionable. In particular, any wage freeze or interval seems illusory if it is undertaken against the will of management and labour and without parallel measures for the other categories of income. Furthermore, any guidelines, national or Community, in these areas will be supported by management and labour only if the latter are enabled to share actively in a broader and more logical dialogue at the level of crucial decisions in overall economic and social policy.*

*The calculated trends in minimum contractual wages and actual earnings, nominal and real, can only be grasped through available national statistics. The time involved in collating and publishing them, varying between countries at the time of writing this report, only allows coverage for the period up to April 1971 minimum and October 1971 maximum.*

*As regards minimum contractual wages, considering only hourly wages for workers, increases amounted to 14.7% in Germany (July 1970 - 10 July 1971 against 15.6% for the previous 12 months), 10.9% in Italy (October 1970 - October 1971 against 20.2%), 10.3% in Belgium (Sept. 1970 - Sept. 1971 against 11.8%) and 9.7% in the Netherlands (July 1970 - July 1971 against 8.9%).*

*Actual nominal hourly earnings, whose progression is naturally more "representative" than contractual hourly wages, have increased over 12 months for workers: by 15.7% in Italy (2nd qtr. 1970 - 2nd qtr. 1971), by 14.9% in the Netherlands (in July), by 12.6% in Germany (July), by 12.4% in Belgium (October), by 11% in France (October) and by 6% in Luxembourg (April). These trends are generally converging on standardization at the Community level since the highest increase is in Italy (15.7%) where wages are relatively the lowest and the smallest increase is in Luxembourg (6%) where wages are still the highest. Relative to the preceding period, the progression of workers' nominal hourly earnings has accelerated only in the Netherlands (14.9% against 11.7%). France remains almost regular with 11% against 10.5% and Belgium with 12.4% against 13%.*

*Germany has slowed slightly with 12.6% against 15%, Italy even more so with 15.7% against 22.2% and Luxembourg the most distinctly with 6% against 14.4%.*

*Reckoning with the rise in the cost of living, the purchasing power of workers' hourly earnings has increased over the periods in question by about 10% in Italy (against 16% the previous year), by 7% in Belgium and the Netherlands (against 9% and 6.5%), by 6.5% in Germany (against 11%), by 5% in France (against 4.5%) and by 1.5% in Luxembourg (against 10%).*

## *Belgium*

### *Wage Policies and Problems*

186. At the beginning of 1971, wage policy in Belgium was marked by a climate of uncertainty due to the changeover from the system of transmission tax to value added tax. Although the change set off an appreciable rise in consumer prices, the policy followed by the Government in collaboration with employers' associations and trade union organizations managed to avoid more serious disturbance. Moreover, the acknowledged need to protect the purchasing power of wages led at the beginning of 1971 in the private sector to application of the index a month in advance.

For instance, in certain sectors (coal, steel, metal manufacturers) the increase of 2%, which by the normal mechanism of the sliding scale would have occurred in April, was applied from 1 March. Conversely, to obtain closer control of rising prices, a draft "law for regulation of the economy and prices" was submitted to Parliament by the Government and adopted on 20 July. The Minister of Economic Affairs is now empowered under certain conditions to fix the maximum prices of products or services at the level of individual companies.

In the private sector, national agreements have been made for steel and the manufacture of non-ferrous metals applicable in 1971 and 1972, except for wages which were negotiated at company level. For civil engineering, a national agreement was made settling the bulk of the problems for 1971 and 1972, but only for 1971 as regards wages. In the textile industry, a one year national agreement was made in November 1971. Both sides in the sector of metal manufactures will have to meet again at the end of 1971 to negotiate wage levels for 1972. For employees in the tertiary sector, agreements were also renewed in banks, insurance and the big department stores.

In the public sector, a general strike of civil servants in March was avoided by an agreement between the Government and the trade unions: this agreement provided for the payment dated from 1 July 1971 of an "allowance against revaluation" of public service of 3 000 Bfrs. increased by 2.4% of salary and in any case amounting to not less than 7 000 Bfrs. In addition, a "social programme" for 1971-1973 was set up: by the end of this period, the annual net minimum salary for public service will be 120 000 Bfrs. for the lowest grade and the maximum end-of-career income will be 904 000 Bfrs. for the highest grade. These amounts remain linked to the index.

Another agreement for a social programme was made on 15 June at the national and interoccupational level. Besides the provisions concerning National Holidays, annual vacation, reduction of the working week, and trade union training, two further points should be noted concerning labour costs: firstly, the increases in some social security contributions borne by employers and secondly, the recommendation for raising to 50% the contribution by companies towards the cost of railway work-contract tickets for employees or an equivalent contribution towards the use of other means of public transport.

187. In the indexation of wages and besides the above adjustments, the law of 2 August 1971 is also worthy of note. It standardizes the various systems of sliding scale applied to remuneration in the public sector as well as several social services; so, for instance, the consumer price index—which in 1968 replaced the former retail price index—becomes the official reference index and the percentage of automatic increase was brought down from 2.5 to 2% in relation of the basic index. Henceforth, this percentage is applied to the amount of the last remuneration due and not as under the former system to the base amounts fixed at 100% in 1960, which in effect meant that the real increase in 1971 amounted to only 1.8%.

Again, concerning indexation, this time on a more general scale, it is to be noted that the trade union organizations have asked for a revision of the consumer price index: the unions consider that the consumer structure, the basis of the index, is now out of date and therefore that the index no longer truly mirrors the development of expenditure, especially in the case of "Services" which has appreciably amplified. The Federation of Belgian Industry is not opposed to revision if it is made on objective criteria, such as the findings of the next survey on family budgets.

Finally, mention must be made of a law passed 20 July 1971 which allows tax reductions for the benefit of employees with low incomes and means. A Royal Decree of 13 August 1971 in connection with this law modified the scale of taxation on income levied at source.

### *Trends in Wages and Purchasing Power*

188. The index of contractual hourly wages has climbed by 10.3% between Sept. 1970 and Sept. 1971 against 11.8% during the previous period. The most marked rise, registered during the first quarter of 1971 (4.6%), is mainly due to the fact that conventional wage reviews are made generally

early in the year, and also that the most representative sectors applied their sliding scale system in advance on 1 March. In the second and third quarters (2.3 and 2.2%), the link between wages and the index was the most important factor.

Over the same period, the index for employees' contractual salaries progressed a little less than that for workers; but it is still appreciably up compared to the precious year (9.8% against 7.5%). The increase over the first quarter of 1971 (5.4%) can be attributed, as in the case of the workers, largely to the revision of scales in collective agreements. In the second and third quarters, the increases were respectively 1.9 and 1.8%.

As regards actual earnings, the "rapid" index of gross hourly earnings of adult male workers in industry, calculated from the findings of a limited quarterly survey, rose from 138.2 in October 1970 to 155.3 in October 1971, that is, an increase of 12.4% against 13% from October 1969 to October 1970. The analysis by quarter shows that the increase was weakest from July to October 1971 (2%) and strongest from January to April 1971 (3.9%).

On the basis of this single indicator available and considering the rise in the consumer price index (+5.2% from October 1970 to October 1971), it appears that the purchasing power of hourly earnings of Belgian workers has climbed about 7% against 9% during the preceding period.

## *Germany*

### *Wage Policies and Problems*

189. Wage policy in Germany during 1971 was dominated by the need to combat inflationary trends and their effects on the development of wages. The Government in its "guidelines on economic development for 1971", initiated in October 1970 and amplified in its annual report to the Bundestag, had considered that the increase in prices in 1971 must be contained within 3%. To achieve this, the actual earnings per worker were not to rise above 7-8%. During many discussions within a framework of concerted action, management and labour, faced with the need to normalize the short-term economic trends, undertook to support the Government's plan for stability and development of the economy. However, the DGB strongly stressed that the data for economic guidelines could not interfere with the freedom of decision of the social partners and that, therefore,

these data were not to be looked upon as a rigid standard for the round-table negotiations on wage agreements. On the other hand, the DGB emphasized the need for a boost to economic expansion.

190. In public service, the same salary policy as last year was followed in that civil servants as well as workers and staff in public service benefited from 1 January 1971 from a linear increase of 7% in remuneration and a monthly flat increment of 27DM in favour of the lower grades in the organization: overall rises were scaled out between 10.8 and 7.4%. For 14 million employees in the public and private sector, the average contractual increase in wages and salaries can be reckoned at 8.5%. The increases anticipated in the collective agreements of certain large sectors are fairly near the average (chemical, building and coal industries, banks and insurance) while higher increases were granted in sectors near the bottom of the wage scale, such as the timber industry, agriculture and the retail trade.

In many sectors other social advantages have been allowed such as longer holidays, holiday increments, annual bonuses and allowances for asset formation. The mass of the extra advantages corresponds to an increase in remuneration of about 1-1.5%. It must be mentioned that in 1971 a trend towards trimming the differentials between contractually-based wages and actual earnings (wage-gap followed by wage-drift) seems to have emerged. It is primarily due to the reduction in overtime hours and equally to the specific actions of management and labour during negotiations over new collective agreements either with reference to basic wage levels or trade grades.

191. A project for fiscal reform was adopted by the Government in June. It is aimed at simplifying the fiscal system and at the same time cutting taxation on low incomes: the levels beyond which income tax becomes progressive have been raised to 12 000DM for single people and 24 000DM for married persons (previously at 8 000 and 16 000DM). The tax-free annual income is raised from 1 680 to 2 040DM.

### *Trends in Wages and Purchasing Power*

192. The index for contractual hourly wages of workers climbed 14.7% from July 1970 to July 1971 against 15.6% from July 1969 to July 1970. Over the same period, the index for contractual monthly salaries rose by 11.1% against 11.3% during the preceding period.

The average gross hourly earnings of industrial workers registered a rise of 12.6% from July 1970 to July 1971 against 15% from July 1969 to July 1970.

The paid working week for industrial workers having further shrunk (43.4 hours in July 1971 against 44 in July 1970), the actual weekly earnings move from 269 DM in July 1970 to 300 DM in July 1971 which is an increase of 11.5% against 14% for the year before.

Again over the same period, the gross monthly remuneration of industrial, commercial, bank and insurance employees rose from 11.8% to 13.6%. In absolute figures, the average gross monthly earnings reached 1 425DM inclusive of men and women.

The cost of living index having registered a rise of 5.7% from July 1970 to July 1971 (against 3.8% from July 1969 to July 1970), the gain in purchasing power of hourly earnings by German workers was around 6.5% and for weekly earnings 5.5% against 11% and 10% between July 1969 and July 1970, while real monthly remunerations of employees rose 6% as against 9%.

### *Policy on Asset Formation*

193. Several amendments made to the "law of 312 DM" by the law of 27 June (third law to encourage asset formation among employees) came into force on 1 January 1971.<sup>1</sup> It mainly concerns the replacement of fiscal and social exemptions by a State bonus for wage earners, the introduction of a ceiling on incomes and creation of new opportunities for investment (payment of insurance premiums).

Whilst between 1961 and 1969 only 5.7 million employees had availed themselves of the laws on asset formation (of which scarcely 1 million were on the basis of collective agreements), this figure rose by end 1971 to more than 14 million employees in the public and private sectors. About 10 to 12 million of them have received from their employers (by collective agreement), in addition to their pay, allowances for asset formation, hitherto not the new official amount of 624DM p.a. but mostly the earlier one of 312 DM.

In the fiscal reforms, important measures are provided in the way of incentives to save and towards asset formation within the laws covering

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 166. The annual maximum has been raised to 624 DM from 1 July 1970.

savings increments and home building increments. Thus, only persons with an annual income lower than 24 000DM (single) or 48 000DM (married) will be entitled to an increment. It is also intended to allow more of the people to take a greater share in productive capital. A decision in principle by the Federal Government on 11 June 1971 provides for a sum of DM4 000 million annually to be earmarked for this objective.

## *France*

### *Wage Policies and Problems*

194. In the period under review, wage policy in France has been running in a conjunctural climate marked by fairly sharp inflationary tensions. The concept of a "contractual policy on income" again appeared among the Government's concerns, with the accent on trying to initiate "a real dialogue between those who to some extent have the power to raise prices and those who similarly have the power to raise wages". As regards wages, certain proposals have been put forward based on the following pattern: definition at national level of a rate of increase for the aggregate wages; fixing at sub-sector and company level rates of increase specific to aggregate wages which do not vary too much from the national norms; determination by company or sub-sector agreements on the particulars of distribution of this national wage packet, with protection clauses. All the trade unions of wage earners have been more or less hesitant concerning these guidelines. In the sphere of prices, trade unions, employers' federations and trade associations have said that they are prepared to sign "anti-increase contracts" with the Government in September. In these contracts, industrial companies undertake not to raise the prices of their products by more than average of 1.5% between 1 October 1971 and 1 April 1972, and the commercial companies undertake not to raise their relative profit margins. In return, the Government undertakes until 1 April not to increase the taxes, levies, public rates, etc. borne by companies.

195. Within the overall economic trend, the currents and actions of wage policy during the period under review are running on the lines indicated in the previous report; namely: ensuring greater protection for the most under-favoured wage earners, promoting open cooperation at all levels and smoothing the introduction of revision or indexing clauses for regulating the progression of purchasing power. The law of 2 January 1970 on the reform of the minimum guaranteed national interprofessional income and

the fixing of a minimum progressive wage was thus completely applied. Fixed at 3.50 Frs. on 1 July 1970, the SMIC after four increases amounted to 3.94 Frs. at 1 December 1971 which is an increase of 12.6%.

Moreover, to tie the SMIC index to the cost of living, a monthly consumer price index covering urban households whose head is a worker or employee has replaced from 1 April 1971 the national consumer price index for low-income families. The new index is more representative of new consumer habits. For instance, the balance has been adjusted to give relatively greater importance to services which climb from 15.2% to 27.5%. But its "adaption" to the purposes behind the indexing of SMIC has been met with reservations by some of the trade unions.

196. In the field of collective negotiation, the public authorities wished to see management and labour follow the negotiated agreements under as decentralized a system as possible which would consider very closely the economic scope of sub-sectors and companies. The hallmark of this policy is to be found in the application of the law of 13 July 1971 on collective agreements, which might influence negotiations in future years by the following provisions:

- (a) Collective agreements in companies can always fix the levels of actual wages;
- (b) Collective agreements in companies drawn up in the absence of national, regional or local agreements can determine the different terms of work and social guarantees: other agreements may only adapt the provisions of collective national, regional or local agreements to the particular conditions of the company in question involving new provisions or clauses more favourable to employees;
- (c) Among the compulsory provisions of national collective agreements are procedures for settling problems arising from provisions of the previous legislation; namely, the principle of "equal pay for equal work" for women and young people.

197. The formulae of progression or guarantee of purchasing power contained in wage agreements of big public companies (railways, gas and electricity, coal, etc.) have also had an effect since the autumn in view of the increases in retail prices. Thus additional wage increases or advances in the dates set for increases have been allowed. It is interesting to note that a growing number of companies have included in their agreements—over a specific time of one or even two years—methods fairly comparable

to those applied by the public companies. Written into these agreements are clauses on remuneration differential in proportion to the growth of national assets, prices and company results.

198. Furthermore, the trend towards monthly payment of workers has continued strongly over 1971 with even changes and standardization in the method of payment. Indeed, monthly payment today seems less like a change in remuneration methods for workers than a reform and change in their contract status, of which payment itself is simply a symbol.

So, in terms of recent agreements, the status of workers now paid monthly includes more often than not the following benefits:

- (a) Full wage payment for the first three months in case of absence due to sickness or injury at work and 50% wage payment for three months thereafter;
- (b) Terminal notice, holidays, lay-off compensation, seniority increments, etc. in line with the status of monthly paid personnel.

It is reckoned that within two to four years more than half the workers will enjoy these advantages.

199. This development in monthly terms has necessitated the amendment of legal provisions on the intervals of wage payments. A law of 24 June 1971 amended Art. 44 of the first Book of the Code du Travail under which workers had to be paid at least twice monthly with a 16 day maximum interval. These provisions will continue only for "hourly" workers whilst monthly workers, just as employees, must be paid at least once per month. It is also of interest to see the application of legislation in two other areas. On 12 July 1971, a law finalized by a decree on 30 August 1971, introduced a new transport tax on employers in Paris and the adjacent areas. The rate of tax was fixed at 1.7% of the wage amount, a basis identical with that of social security contributions. The payments involved are to offset the costs incurred by public transport in the Paris area (underground, buses, local trains) in allowing reductions to regular passengers (weekly work tickets). The second law, dated 16 July 1971, amends some old anomalies of the *Code civile* by extending from 6 months to 5 years the statutory prescription over payment of wages and giving this prescription an exonerating nature: namely, that there is no longer presumption of payment, which till now could only be set aside by recorded annulment.

Finally, a series of decrees of 23 December 1970 raised the maternity allowance for female employees to 90% of the ceiling wage.

### *Trends in Wages and Purchasing Power*

200. As regards development of actual wages, the index of hourly rates for workers, published quarterly by the services of the Ministry of Labour has shown a progression of 11% between 1 October 1970 and 1 October 1971 against 10.5% over the previous twelve months.

Considering the rise in the cost of living as it appears from changes in the index of "295 articles" (5.7% increase in the average for Sept.-Oct. 1971 over the average for Sept.-Oct. 1970, against 5.6% during the year before), it may be reckoned that purchasing power progressed in the period under review by 5% against 4.5% the year before.

### *Policy on Asset Formation*

201. Application of the ordinance of 17 August 1967 concerning the sharing of employees in the benefits of company growth is shown in the following results: by 31 March 1971, 6 863 agreements on participation had been registered covering 7 576 companies and 3 403 595 employees. For the financial year 1969, reserves earmarked for the participation of employees reached 766 million FF (a provisional estimate)<sup>1</sup> distributed between 2 169 384 employees (average amount: 353.71 Frs. equivalent to about 2.7% of wages). For the companies, these sums represent 13.7% of declared profits. The charge borne by the Treasury under taxation exemption is 719 million FF.

202. Again as an incentive for employee saving and greater participation in the company, a new law came in on 31 December 1970 with a decree of application on 7 June 1971 to allow companies (*Sociétés Anonymes*), if they desire, to offer their personnel the option under advantageous conditions of subscribing for and purchasing shares.

## *Italy*

### *Wage Policies and Problems*

203. The broad discussions in Italy in 1970, mentioned in the previous report<sup>2</sup> have apparently developed into joint research for a better integration in economic and social policy whose primary aim is to keep up the level of

<sup>1</sup> From latest information to hand, the figure for the financial year 1969 will apparently reach 1 160 million FFrs.

<sup>2</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 174.

employment and support production. In an uncertain economic climate where recovery in production has been held back and where inflationary pressures persist, the Government has had to steer a policy to combat excessive price rises, boost economic growth by stimulating private investments, especially in the Mezzogiorno, and improve the social climate. In this last field and within the overall guidelines of seeking a compromise between workers, employers and government, negotiated wage increases early in the year in certain sectors, though ample, were less so than in 1970. Conversely, trade union claims and the government's social programme have stressed such areas as health care, teaching, urban and suburban transport facilities, building of rentable dwellings for low income groups and especially taxation reform.

204. During 1971, taxation reform was one of the highlights of discussion between the various political, economic and social forces. A provisional conclusion was reached on 7 October with a law on delegation of authority, assigning to the Government the task of completely re-organizing the fiscal system on a simpler and more democratic basis; for instance: the number of direct and indirect taxes will be greatly reduced and direct taxation will be motivated more than before by the constitutional principle of the progressivity of taxation.

205. An analysis of collective agreements concluded in Italy in the period under review shows that a trend apparent in recent years was confirmed in 1971; namely, that the lowest wages have been raised in stronger proportions than others. This happened at FIAT with a general wage increase of 30 Lire per hour, in the printing industry with 95 Lire per hour, and in rubber and glass, etc. Another technique in practice is the abolition of the lowest categories by the upgrading into a higher category of the personnel involved (insurance companies, shipping companies in the public sector, etc.). The trend towards monthly payment has been followed up, albeit limited in some cases to reconciling the status of workers and employees over sickness (in the rubber industry) but in others extending to complete equality over sickness, holidays, layoff notice, work injuries, etc. (shipping companies in the public sector). In yet other cases, especially in the chemical industry, monthly payment of wages was adopted.

206. As in 1970 movement in the consumer price index for the period under review has set off frequent and appreciable rises in the increased cost of living allowance. Between February and August, this allowance rose 7 points and between August and October it was 453.50 Lire per day for workers and 875.50 Lire per day for employees.

## *Trends in Wages and Purchasing Power*

207. The rate index for minimum contractual hourly wages for workers (excluding family allowances), set up by the Central Institute of Statistics, showed a less marked rise between October 1970 and October 1971 than in the year before, especially in the industrial sector. The progression was 10.9% for industry (against 20.9%), 15.6% for agriculture (against 16.4%), 12.7% for commerce (against 16.2%), and 10.1% for transport (against 12.3%).

As regards employees, the index of minimum contractual remuneration rates (excluding family allowances) registered between October 1970 and 1971 in the public administration sector a much higher rise than in the year before (9.3% against 0.8%). Conversely, in the three other sectors, the increase was less marked: 8.9% in industry (against 14.9%), 10.5% in commerce (against 14.2%), and 9.8% in transport (against 10.4%).

The progression in actual earnings has also been less marked. According to statistics to hand the index, established by the Ministry of Labour, of gross hourly earnings (excluding family allowances) for industrial and building workers and those in the electricity, gas and hydraulic sector has risen by 15.7% from 2nd qtr. 1970 to 2nd qtr. 1971 against 22.2% over the previous period.

In terms of purchasing power and reckoning with a rise in the consumer price index of 5% between the average of the 2nd qtr. 1970 and the average of the 2nd qtr. 1971, the improvement in real hourly earnings for Italian industrial workers was apparently about 10% against 16% during the previous period.

## *Policy for Asset Formation*

208. As opposed to the trends in several other Member States, a fully thought-out policy on asset formation is lacking in Italy.

But it may be considered that the law on "housing reform" will by its nature succeed in promoting a particular form of asset formation; namely, the chance to own one's own home. Among other things the law provides for expenditure of 2 400 thousand million Lire over three years for building 250 000 inexpensive dwellings with, however, priority on rented dwellings. The dwellings considered as owned property will not be

resaleable until after 10 years and then only to persons eligible to take over ownership of the dwellings. After 20 years, sale will be free but the increase in ground value will have to be paid into the township where the dwelling is located.

## *Luxembourg*

### *Wage Policies and Problems*

209. In Luxembourg, as in the other countries, the problems of wage policy have arisen in an economic situation marked by appreciable inflationary pressures despite the price-controlling policy applied by the authorities.

Accelerating rising prices naturally involved more frequent movement on the sliding scale of wages: a 1.47% rise on 1 March, 1.45% on 1 June and 1.43% on 1 September 1971. Thus, the minimum legal social salary since the last date amounts to 7 766 Lfr per month for a trained worker.

A new collective agreement for employees in the steel industry and the iron mines was signed on 4 March 1971 after long negotiations.

Valid from 1 January 1971 to 31 December 1972, it provides for average increases in monthly salaries for office employees of 8.2% (or 10% of the basic salary), of 6.5% for technical staff (or 8% of the basic salary) and 9% for executives (or 10% of the basic salary). Moreover, an agreement was made on monthly payment for shift supervisors. Temporarily, until 1 January 1973, shift supervisors will receive a fixed monthly salary with full pay up to six months per year in case of sickness. On 1 January 1973, they will be covered by all the provisions in the employees collective agreement but will still be excluded from other ex-gratia benefits granted to steel industry employees.

210. The law of 9 December 1970, covering the reduction of the working week for workers should be mentioned on the score of wages. The progressive reduction from 48 to 44 hours (from 1 January 1970) and to 40 hours (on 1 January 1975) must be applied with no reduction in remuneration. Over and above these fixed limits, working hours are counted as overtime and rewarded with a 25% increase. This new law necessitated an adjustment to the provisions for the legal minimum wage which was calculated on a monthly working time of 200 hours.

## *Trends in Wages and Purchasing Power*

211. According to the only statistics to hand, supplied by the half-yearly survey on the average gross hourly earnings of workers throughout industry, the increase from April 1970 to April 1971 was 6% against 14.4% from April 1969 to April 1970.

The consumer price index having risen 4.4% over this period, exactly the same amount as in the previous period, the progression of buying power of the hourly earnings of Luxembourg workers can be reckoned at only 1.5% against nearly 10% over the previous twelve months.

This slight progression seems partially due to the fact that many collective agreements, concluded for two years and therefore not expiring in 1971, have not required renewal.

## *Policy for Asset Formation*

212. A law of 27 July instituted a system of housing savings. This will benefit those who are neither dwelling owners nor usufructuaries. Under conditions specified by law, they will be entitled to a tax-free savings increment, to a subsidy with interest borne by the State, and a loan at an amount at least equal to 150% of the savings made and the interest accruing from the credit agency where the house savings account was opened. A State guarantee covering the repayment of the loan can also be obtained.

## *The Netherlands*

### *Wage Policies and Problems*

213. To deal with the tensions in the Netherlands' economy, the Government in December 1970 had fixed limits for wage increases anticipated within collective agreements. The decision was applied in a different way for the long-term agreements already made in 1969 as opposed to those running from 1 January 1971 or later. The increases fixed by the earlier agreements could be allowed during the time remaining until their expiry with a maximum of twelve months so that the long-term agreements could fall under the restrictive wage measures not before 11 November 1971. The agreements running from 1 January 1971 and later were immediately

affected and during their first six months could provide only limited wage increases: a maximum of 3% over the first three months and an additional maximum of 1% for the second three months. But on expiry of this period marked wage increases occurred either as a percentage or as a percentage plus a lump sum. Moreover, quite a number of agreements expiring on 1 January 1971 or later were not renewed straightaway: so, in fact, the employees concerned have benefited immediately from the increase authorized by the Government and obtained further increases for the whole period covered by the new collective agreement. This situation has led to wage increases heavier than anticipated and which by the effect of the long-term collective agreements will still be felt in 1972 and 1973.

Facing this state of affairs, the Economic and Social Council in its half-yearly report of 9 July 1971, advised the Government to annul its decision on wages. The Council was hoping to foster a more congenial climate between management and labour extending to the Government, thus putting some brakes on the rise in wages which it considered absolutely necessary to do. On the basis of this report and after cooperation with management and labour, the Government thought it timely to annul on 4 August 1971 its decision concerning wages. The collective agreements for 1971 still not concluded by the date of the annulment may be freely negotiated.

214. The Economic and Social Council has yet to express an opinion on the instruments for the short-term economic policy but, in this framework, two interim opinions have already been expressed on wages and prices policy: the Council has decided on a global wages and prices policy within the compass of short-term economic policy, and it also proposed the abolition of Art. 8 of the law on the structure of wages. This was done in the light of a closer coordination with management and labour which will empower the Minister of Social Affairs and Public Health to declare as non-obligatory certain provisions of the collective agreements.<sup>1</sup> The Government stated that, pending the overall opinion on short-term economic policy, it was prepared to waive Art. 8.

On the other hand, the accented inflationary rhythm has heightened the search for protection against erosion of purchasing power. Thus the automatic adaption of wages to price increases has continued to extend: all the collective agreements made in 1971 contain indexation clauses but expressed in very variable terms.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 185.

Following "restrictive" methods on wages, the reconciliation of the status of workers and employees has made only limited progress. For instance, the monthly instead of weekly payment of workers has been adopted in only some companies in the metals sector and in some new sub-sectors like drink processing and the rubber industry.

215. The legal minimum wage, fixed at 157.50 florins per week (or 682.50 Fl. per month) on 1 July 1970, has been put up (interim increase) from 1 January 1971 and 1 April 1971 to 166.20 florins and 167.70 florins, respectively, per week (or 770.90 Fl. per month). The Government intends to coordinate the adaption system of the legal minimum wage and that of some social allowances with the movement of the general wage index in conformity with an opinion requested from the Economic and Social Council. The minimum wage, as well as benefits deriving from the social security laws, would then be revised twice a year on 1 January and 1 July. Bills for laws to this effect will be submitted to Parliament. The Labour Foundation has also been requested to express an opinion on the possibilities of fixing a minimum salary for young people.

216. Agreement No. 100 of the ILO concerning equal pay for male and female labour for equal work was ratified by Parliament and comes into force in June 1972. Agreement No. 111 of the ILO concerning non-discrimination, especially against women taking up and holding jobs, will be submitted for the approval of Parliament.

#### *Trends in Wages and Purchasing Power*

217. The monthly index for contractual hourly wages for adult workers of all categories (private and public sector, workers and employees of both sexes) has climbed by 9.7% from end July 1970 to end July 1971 (10.6% for male industrial workers) against 8.9% (9.7% for male industrial workers) over the 12 preceding months.

The "rapid" index for hourly gross earnings of adult male employees in industry, commerce, transport, banks and insurance calculated from the findings of a limited survey, shows for July 1970 to July 1971 a rise of 14.9% against 11.7% from July 1969 to July 1970.

If one reckons with the brisker movement of the consumer price index over this period as compared with the previous year (7.6% from July 1970 to July 1971 against 5% from July 1969 to July 1970), the real progression

in real hourly earnings of workers in the sectors mentioned was in the period under review appreciably the same as in the previous period (6.8% against 6.4%).

### *Policy for Asset Formation*

218. On 1 July 1971, the law came into force setting up the Fund for asset formation in favour of persons, wage-earning and non wage-earning, aged between 21 and 60 and whose income is lower than the ceiling for tax on income. This fund will grant interest-free loans over eight years to a maximum sum of 2 400 florins to persons buying a dwelling for their own habitation. Moreover, buyers of "savings certificates" will receive a bonus, up to a maximum purchased sum of 250 florins per year, after a holding period of eight years and on condition that the certificates have not been pledged.

A new law simplifying the regulation on youth savings of 1958 was approved by Parliament on 21 April 1971 and comes into force on 1 January 1972.

Furthermore, in the agreement serving as the basis of formation for the new Government, it is agreed that the general law on bonuses for saving will be abolished in view of fiscal facilities for salary-savings.<sup>1</sup> It is possible that these fiscal amenities will come into force on 1 January 1973.

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<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 100.

## CHAPTER VI

### HOUSING

*Any report on developments in the housing situation will show that in 1971 also there are still sizeable population groups without adequate housing within their financial means. Indeed to forecast the day when more housing will not be needed is just an intellectual game. Such a point in time is not only determined by the actual number of dwellings available, but these dwellings must moreover match up to certain standards and needs qualitywise as well as pricewise. When one realizes that there are millions of families living in dwellings of inadequate quality or in unhygienic accommodations beneath human dignity and that, with the trifling amount of annual demolition, these slums will persist for a long time unless renewed efforts are made, it is clear that solving this housing problem will by itself be the focus of constant care on the part of the relevant authorities. Structural developments in economy and society tending to radically alter the way of life and the behaviour of individuals moreover require a continuous adjustment of housing policy in its broadest sense.*

*During the period under review, the main concern in the Member States on housing policy has been to encourage the building of sound, inexpensive housing for people still unable to afford this important asset. To this end an effort has first been made to increase housing output which will also allow more rapid slum clearance. The output of completed dwellings has generally grown. The housing completed in the Community during the first nine months of 1971 totalled 956 800 dwellings against 858 400 in 1970.*

*The anxiety over pollution of the environment and protection of health demand measures often involving town planning and land development. In the period under review, considerable initiative has been shown in the Member States with an eye to coordinating policies and turning this initiative into priority programmes. For its part, the Commission has also given proof of the priority it is giving to solving this problem, by the creation of a top level task force which will tackle these problems globally and at Community level.*

*The living and housing conditions of migrant workers have claimed growing attention throughout the Member States. New studies and research are under way, also at Commission level, to see how far these conditions must and can be improved.<sup>1</sup>*

*In its "Preliminary guidelines for a Community social policy programme", the Commission drew attention to the housing situation in the Community. Among the social objectives it was indicated that a special boost must be given to housing for migrant workers.*

*The Commission's activity in the housing field takes practical form in financial aid programmes for housing construction for the industrial workers of the ECSC. Within these programmes the Commission is also trying to improve housing conditions in the Community.<sup>2</sup> The 7th programme, the first stage of which is currently under way, provides accomodation schemes for migrant workers. It also includes an experimental building programme devoted to housing modernization. The aim of the programme is to seek out fresh industrial techniques for improving productivity, shortening the time required for modernizing work and saving labour.*

<sup>1</sup> Sec. 264.

<sup>2</sup> Part. A: "Outline of activities by the Commission of the EC in the social field in 1971", under "Housing".

## DEVELOPMENTS IN HOUSING POLICY

219. Any annual report concerning developments on housing will show but little change compared to previous years. This is because the time needed for making and applying decisions is too long and the problems are already well known. But current policies have been amended due to changes in the situation. Thus for instance a growing demand on the housing market may be expected due to the increase in the number of marriages following the post-war rise in the birth rate. In some Member States, for housing and council housing, there is a drive towards flexible construction plans. A simple technical operation will allow dwellings to be adapted to family size and new housing concepts. It is heartening to note that increased financial means are being earmarked for housing and neighbourhoods.

A report as summary as this will be confined to examining the most striking features of these problems.

220. Housing policy in Belgium is distinguished by measures seeking to dissociate building of council housing<sup>1</sup> from the capricious short-term economic situation, to re-organize the building sector and combat land speculation. The creation of an independent housing Fund is still considered as an essential means of reaching these objectives. The particular resources in this fund will help to set up multiannual programmes for council housing, land policies, slum clearance and urban renovation. However, the relevant draft law has not yet been adopted.

Reorganizing the building sector and especially industrializing housing construction will certainly result in speeding up building of council housing. The law of 9 July 1971 governing the building and sale of dwellings protects buyers and owner builders. The law also controls payment of purchase prices and contracts in order to avoid possible abuses. The law of 2 July 1971 coordinates and rationally combines existing laws on housing in the form of a "Housing Code". An overall system on "housing savings" is being prepared by public authorities.

221. In Germany, over the period under review, the available financial resources have allowed regional social modernization plans to get underway within the lines of the long term housing programme.<sup>2</sup> Its importance is

<sup>1</sup> "logement social" = subsidized housing comparable with council housing in the U.K.

<sup>2</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 194.

revealed by the size of the budget devoted to town development and housing for 1971, which at 2.66 thousand million DM is the most substantial budget since the birth of the Federal Republic. From the legislative standpoint we can mention the second law on rent subsidies as well as the amendments to the law which came into force in 1971 and which broaden the encouragement of town development (*Städtebauförderungsgesetz*), affording a sounder juridical basis for development plans and urban improvement of boroughs in building, layout and financing.<sup>1</sup>

222. In France, housing policy as globally defined by the lines of the Sixth Five Year Plan (1971-1975) is under way. As regards new building the policy hinges on reducing building costs, simplifying standards and procedures, re-organizing State aid and on overall financial reform. New drives are also afoot for modernizing old housing. The "Building Plan" begun in 1971 is directed at lowering building costs and towards accomodation better tailored to current needs. Re-organization of State aid will help the lower income groups to acquire decent accomodation.

233. In Italy, the housing question was during this period dominated by negotiations between Government, political parties and trade unions over a new housing law called the "Lauricella" law. After several debates in the Chamber and the Senate, this law No. 865 on housing was passed on 22 October 1971. This law bears mainly on:

- (a) Programmes and coordination on the construction of council housing;
- (b) Relative standards for expropriation in the public interest;
- (c) Amendments and changes in laws No. 1150 of 1942, No. 167 of 1962 and No. 847 of 1964, which materially affect expansion plans;
- (d) The three year programme for construction of council housing;
- (e) Finance and taxation facilities.

Although the effect of these legal measures on council housing will require some lead-in time, this law has opened the door to a more productive housing policy.

224. In the interests of an effective housing policy, the Luxembourg Government on 27 July 1971 passed the new law on housing savings. The law is expected to stimulate building, purchase and improvement of housing.

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<sup>1</sup> Sec. 252.

Among its advantages is the building savings bonus, entitlement to a building loan, a possible guarantee by the State to cover 85% of the total costs and subsidies to meet loan interests. New measures were also adopted concerning housing for foreign workers.<sup>1</sup>

225. In 1971, one of the main aims of the Netherlands housing policy was attention to the housing of the most underfavoured income groups and to the accomodation of young households in the light of optimal distribution over available living space. At the same time efforts have been made to increase housing output. One of the most important measures was to modify the geographical distribution of State aid for new housing construction. The criteria to be applied will be the needs indicated by local and regional housing surveys. The scope of realization in the multiannual local or regional programmes must also be considered. The setting up of a fund for asset formation<sup>1</sup> will allow interest-free loans to be granted for building or purchasing dwellings with a State guarantee for mortgages covering 90% of the charges.

#### COMPLETED HOUSING,<sup>2</sup> NEEDS AND PLANNING.

226. In Belgium, figures to hand show a very marked regression in housing output in relation to 1969 including approved building licences, housing under construction and increments granted.

For the first nine months of 1969, the number of dwellings under construction was 44 287, in 1970, 34 549, and in 1971, 31 000. This is due to credit restrictions, high interest rates, steep building charges, high land prices and the introduction of VAT. In the 1971-1975 plan an annual output of 60 000 dwellings is anticipated of which 20 000 will be council housing.

227. During 1970, in Germany, 477 900 dwellings were completed against 499 700 in 1969. The drop is largely due to the bad weather early in 1970. This is borne out by the record number of 626 100 dwellings still under construction at the end of 1970. The figures for the first nine months of 1971 thus show that the number of dwellings to be completed in 1971

<sup>1</sup> Sec. 262.

<sup>2</sup> For developments in Community countries, see Table 1 of appendix 4.

will be around 500 000. The Federal Government's multi-annual building programme shows that between now and 1980, 500 000 dwellings must be built of which 200 to 250 thousand will have to be subsidized by the public authorities. Over the same period more than a million dwellings will have to be demolished and about 5 million modernized to bring them up to today's requirements.

228. The number of dwellings completed in France during 1970 was 456 300, 24 000 more than in 1969. This growth trend begun in 1968 has continued in 1971 as shown by the first nine months' figures. The percentage of subsidized dwellings has not much changed. The Sixth Plan provides for a production of 510 000 dwellings annually of which 270 000 will meet population expansion including the net balance of immigrants, 165 000 dwellings are to improve living conditions and comfort, 50 000 will meet the demand for second domiciles and 25 000 will go into the stock of existing dwellings. In 1975 an output of 540 000 dwellings would have to be reached.

229. In Italy, during 1970, the number of dwellings completed was 377 200, a solid increase compared to previous years (1969: 283 100). But this increase has not benefited council housing sufficiently. Again the percentage of housing subsidized by the State was very low. The new law No. 865 on housing must allow this percentage to grow so that a figure of 250 000 council dwellings may be attained within the 1971-1973 programme. A sum of 2 100 - 2 500 thousand millions Lire will have to be earmarked for this housing.

230. In Luxembourg, 1 747 dwellings were completed in 1970 and, according to official estimates of needs, 1 800 - 3 000 dwellings will have to be built annually.

231. In the Netherlands in 1970, 117 300 dwellings were completed, a drop compared to 1969 (123 100). The trend in 1971 was more favourable and based on estimates from the first nine months' figures about 130 000 dwellings were completed in 1971. The Government's construction policy aims at reaching between now and 1975 at latest an annual output of 137 500 dwellings; for 1972 the programme has been extended to 132 000. On 11 October 1971, the two millionth dwelling since 1945 was completed, which in about 25 years has doubled the housing register in the Netherlands.

## CONSTRUCTION COSTS<sup>1</sup> - PRICES OF BUILDING SITES

232. Admittedly the public authorities will not have to take special measures as long as the trend of construction costs and building site prices matches growth in incomes. Such measures will be necessary however, if a disproportionate growth in building costs occurs and if many families cannot meet higher housing expenses. Measures adopted in the Member States also aim to resist these trends or counter their effect. In fact during the period under review efforts have been made to halt rising prices of building sites and land speculation.

233. In Belgium, construction costs and site prices have continued to rise disproportionately due to VAT and high interest rates. To prevent site prices running wild, the Government has adopted the principle of social allotment. The two national companies are authorized under certain conditions to surrender plots of land at cost price to private persons for the construction of dwellings.<sup>2</sup>

234. Escalating prices are also considered in Germany to be the greatest problem in the building sector. The Federal Government resolved to discover causes of the escalation by means of an in-depth survey of the construction sector. The survey authority made up of independent experts will have to put forward measures to stem the growth of these charges over the short, medium and long term. These proposals are expected at end 1972. By then, the Federal Government will already have taken some steps and among them should be mentioned publication on 2 June 1971 of a catalogue of rationalization norms for construction (*Rationalisierungskatalog*). The principles and criteria for rational construction quoted in the catalogue will represent the basic requirement for construction projects fostered by the public authorities. An amendment to the law on promotion of work (*Arbeitsförderungsgesetz*) is aimed at boosting operations over the winter months. The complementary law on winter month building (*Winterbaunovelle*) coming into force for the first time in 1972-1973 is expected to have a stimulating effect.

The law meanwhile in force covering sale, rental and low priced leasing of sites owned by the Bund will help to reduce site prices in general and site prices for council housing in particular.

<sup>1</sup> For trends in the Community countries, see Tables 3 and 4 of appendix 4.

<sup>2</sup> See also sec. 251.

235. The campaign against rising building prices in France is also one of the aims in housing policy as outlined in section 222.

236. In Italy, the new law on housing allows much more scope, especially in land policy, for the communes to acquire ground at reasonable prices for construction of council housing, through an expropriation procedure financially supported by the State. The price of this ground could thus be based on average values of agricultural land.

237. In Luxembourg, the State is granting financial support to prevent building site prices getting out of hand.

238. To deal with the escalating production costs in the Netherlands, the Government is striving to promote housing within the framework of large dwelling centres and to promote use of prefabricated, standardized components. On the level of the national economy, efforts are being made to curb the rising trend of wages. The rapid rise in ground prices for State subsidized municipal housing (index 1969 = 100, 1970 = 113, and during the first nine months of 1971 = 125) indicates the scarcity of low price sites for building council housing.

#### RENTS<sup>1</sup>

239. Rising rents have also been cause for concern in several Member States during the period under review, since rent increases have often overtaken general price rises. As regards new building, improvements in quality have affected rents. In some Member States improvements in granting either subsidies on rent or housing allowances have been made.

240. An amendment to the law of 23 December 1964 allowed the extension to 31 December 1972 of the system of protection of lessees of modest dwellings in the private sector in Belgium. A new provision was adopted concerning the protection of disabled lessees, with a legal disability of 66%.

241. In Germany, the increase in rents slowed down in 1970 for housing built both before and after 1948. The trend during the period January-August 1971 has however emerged as a fresh increase, which due to higher interest in 1970 and swollen charges for sites and construction will affect

<sup>1</sup> Trends within the different Member States are shown in Table 2 of Appendix 4.

all new building. But growing incomes and better conditions on grants of housing allowances will enable most of the population to face this recent trend. At end 1970 the number of beneficiaries from rent subsidies reached 908 000 of which 93% were receiving a rent allowance. On 11 November 1971, the law providing measures aimed at legal improvements in leasing and controlling rent increases came into force.

242. In order to attenuate the effects of mounting housing expenses for certain categories of the population, the system of rent allowances was amended in France in favour of old people. The system of housing allowances was also revised not only for the benefit of old people but also for young independent workers. This was effected by the law of 16 July 1971 which will be in force from 1 July 1972.

243. In Italy, rents for housing put up with State aid have stayed at the previous year's level, and as regards rents for private housing a rent freeze has been imposed in order to avoid arbitrary increases.

244. In the Netherlands, rent decontrol has been followed in regions where the housing shortage has almost disappeared. This means, that in 1971, rent controls have been abolished in 8 out of 11 provinces. Conforming with the law governing "annual increases in rent", rents have increased by 7% from 1 April 1971. Plans for standardization of rents are aimed at reconciling housing rents relative to quality, situation and age with the rents for housing put up with State aid over the last 5 years. An initial adjustment will occur on 1 April 1972. An extension of the existing rent subsidy system will help to attenuate, through an additional subsidy, the effects of this increase for certain categories of occupiers.

## SLUM CLEARANCE, IMPROVEMENTS IN HOUSING

245. The fact that the need for slum clearance and improvement is generally recognized was expressed in 1971 in measures taken to this end in the Member States. This activity has been directed at both slum clearance and improvements to old dwellings.

In urban improvement, the concept of demolishing whole neighbourhoods is being progressively abandoned. This radical approach is not only extremely complex economically and for town planning, it also poses many social problems. The substantial investments, the time lag between starting demolition and finishing the new buildings as well as the rehousing of

former inhabitants leads in many communes to serious complications and sometimes disastrous results. Partial improvement is being effected more frequently with overhaul and improvement of still usable building and infrastructure.

246. In Belgium, efforts towards growth in housing capacity turn mainly on faster slum clearance. The number of unhygienic condemned dwellings can be counted at 400 000 and although the five year plan provides, by 1975, for the clearance of 15 000 of them, one would like to see this figure much higher. Some 19% of existing dwellings must be improved. In 1971, special credits were granted to promote surveys and experiments aimed at modernizing housing and old neighbourhoods.

247. In Germany, the Federal Government granted in 1971 a sum of 17 million DM to the Länder for improvement and modernization of housing built before 21 June 1948. This sum will be invested in the form of loans at 1.5% over 15 years. An initial annuity for 5.4 million DM has been paid out which will reduce during five years the cost of money borrowed on the capital market for modernization purposes.

248. In France, a fresh boost has been given to eliminating unhygienic living quarters. A newly created task force, the permanent inter-ministry team, GIP, is responsible for coordinating and activating the work of the public services involved. A memorandum from this task force, concerning the application of law No. 70-612 of 10 July 1970, was published in the Official Journal of 25 September 1971. The programme for elimination of unhealthy living quarters known as PRI covers not only demolition of slums and shanty towns but also rehousing of the occupants. It will particularly benefit housing of foreign workers.<sup>1</sup>

A national Agency for the improvement of living quarters—ANAH—has been set up by decree No. 71-806 of 29 September 1971. This Agency will take up and follow up, with increased powers of decision and autonomy, the tasks facing the National Fund for improvement of living quarters. These financial means will be ensured by an additional tax of 3.5% on rent dues for pre-1948 dwellings, which will bring in annually a sum to the order of 280 million francs.

According to the Sixth Plan some 250 000 dwellings will have to be improved. The work of ANAH will be concentrated mainly on operations involving group-modernization of housing, which in the mass will appreciably reduce the costs.

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<sup>1</sup> Sec. 260.

249. In the Netherlands ever growing attention is being paid to old housing and neighbourhoods. In this respect more thought is given to "rehabilitation" of old neighbourhoods than to their demolition. On 29 December 1971, a new national regulation came into force to let local authorities devote more care, especially financial, to these improvements.

## TOWN PLANNING, LAND DEVELOPMENT AND PROTECTION OF THE ENVIRONMENT

250. During the period under review, policies on land speculation have been spotlighted in several Member States by various efforts on the part of the public authorities to control building site prices. The methods consist of offering low price building sites already owned by the State or other public organizations and decreeing measures to prevent land speculation thus bringing down ground prices.

It is heartening to see that in all Member States measures have been adopted or are afoot to protect the environment and thereby the well-being and health of the individual. This activity still in its infancy covers the whole of social life and in particular housing and land development. A problem as complex as the protection of the environment entails the cooperation of all authorities. Special ministries and inter-ministry advisory agencies have also been set up in all Member States to deal with the problem.

251. In Belgium, the law of 22 December 1970 amended, as from 15 February 1971, some aspects of the law governing land development. The amendments tie regional draft plans to certain juridical consequences, limit the length of validity of permits for allotment to five years and bring sanctions on non-observance of the legislation. It is hoped they will also largely forestall land speculation.

In order to achieve closer coordination of measures for environmental protection, a joint inter-ministry commission has been set up by the Royal Decree of 7 October 1971 for the prevention of and campaign against atmospheric pollution. In this commission, family and housing administration is also represented. A Royal Decree of 26 March 1971 is already helping to determine the requirements to be met by combustion equipment. A draft law provides for the upkeep and preparation of green belts, arrange-

ments concerning the settlement of industries and the prohibition of certain fuels for heating systems.

252. In Germany, the law on promotion of urban buildig (*Städtebauförderungsgesetz*) came into force on 1 August 1971. It will encourage the implementation of urban improvement and development projects, which will be formulated, financed and carried out by the public authorities. The Federal Government will put at the disposal of the Länder an overall total of 450 million DM for the period 1971-1973. The Länder will also partially contribute for financing the plans. The new law will also help to stop land speculation, so that the plus value of land due to the intervention of the public authorities will also benefit the local administration.

In order to take compulsory measures for environmental protection the Federal Government adopted a priority programme on 19 September 1970. In this programme a law aimed at reducing atmospheric pollution by exhaust gases came into force on 8 August 1971. On 29 September 1971, the Federal Government adopted a major programme on environment which will formulate long term policy in this area. Within these concepts plenty of scope will be left for international cooperation.

253. In France detailed legislation on town planning and land development was amended and completed in 1971. Thus the law No. 71-581 of 16 July 1971 henceforth specifies and finalizes the appropriation of land so that owners may incorporate these specifications into construction plans. The law No. 71-588 of 16 July 1971 tends for favour the merging of small municipalities.

To allow local administrations to form land reserves the Government decided in 1971 to grant them loans up to 200 million francs at 6% over 15 years. State advances may also be granted to communes wishing to apply their right of pre-emption in zones of deferred allotment (ZAD) in order to combat land speculation.

To promote the protection of nature and the environment a new Ministry was created under this name in 1971. It will be responsible for coordinating its field of activities in this area with those of other Ministries. It will also discharge several missions by itself. An Intervention and Action Fund was also set up to finance measures for environmental protection.

254. In town planning in Italy, the housing law, which came into force on 30 October 1971 should henceforth assist municipalities in acquiring building sites, by purchase or expropriation, for the construction of council

housing or public installations. For their development plans the communes can definitively earmark 60% of the land which they consider they will need in the next ten years. 20% of this land may be expropriable for public utility purposes. Land acquired as property and therefore earmarked in advance may not be resold or leased by municipalities except to persons likely to occupy council housing or to building societies catering for this category of people.

For financing the municipalities expropriation procedures, there exists a "floating fund" of 150 000 million Lire. For current purchase of building sites and carrying out infrastructure work by the municipalities, the budget provides a sum of 300 000 million Lire, or 100 000 million for each of the years 1971, 1972, and 1973.

255. In Luxembourg, in the period under review, a draft law has been debated on general land development in the Grand Duchy.

256. As regards land development in the Netherlands, the new Government set up in 1971 a Ministry of Public Health and Environment. The Ministry's primary task will be to forestall and combat pollution of the environment and coordinate the relevant measures.

A draft law was submitted which would enable the municipalities to form associations to protect inter-municipal interests.

## HOUSING OF MIGRANT WORKERS

257. The guarantee for the well-being of the foreign worker and his family requires social action within a dynamic policy directed at Community level. It is not simply a case of improving the present situation but anticipating possible future problems. This certainly applies to housing. The Member States are following up their efforts here, where much remains to be done. The shortage of housing forces many migrant workers to live in collective accommodation and impairs family unity.

258. In Belgium in the period under review there have been no specific decisions in favour of migrant workers. They have the same rights as Belgians to council housing.

259. In Germany, directives on the housing of foreign workers came into force on 1 April 1971. These directives impose certain requirements for

space, hygiene, safety and amenities in the accommodation offered by employers. The Federal Labour Office (*Bundesanstalt für Arbeit*) will in future assist only if employers fulfill the requirements. Up to 30 September 1971, the Office has helped with a sum of 358 179 865 DM, in the form of loans for 157 293 beds in 2 494 centres. The number of dwellings which have benefited up to 31 December 1971 from subsidies by the public authorities is 4 530 of which 100 are owner occupied.

During a meeting held on 28 September 1971, the Labour Ministers of the Länder have decided to work out, at the suggestion of the Federal Minister; a list of measures aimed at promoting social integration of migrants and their families, especially through housing and education.

260. In France the Ministry of Installations and Housing, within its programme for elimination of unhealthy living quarters, known as PRI, and the social action fund have continued to aid the construction of homes, temporary and permanent housing for foreign workers and their families. On 1 June 1971, 102 000 beds occupied by workers living alone and 42 700 more were being prepared. During the same period, the number of temporary dwellings occupied by families of migrant workers was 3 600 (for nearly 20 000 persons), while 1 100 more were being built. Of the 10 000 permanent dwellings financed by the Social Action Fund 7 250 were occupied. In 1971, some 3 000 municipal dwellings will be reserved, within the PRI, for the inhabitants of shanty towns, namely for foreign workers and their families.

261. In Italy, the new law No. 865, on housing involves some provisions applying to migrant workers. In Art. 48 it assimilates the entitlement to municipal housing of emigrant and immigrant workers with that of nationals. That means that an Italian worker who has emigrated retains his rights to a council dwelling for which he has subscribed, and moreover at his last work place in Italy.

262. In order to promote the housing of migrant workers, the Ministerial Decree of 13 February 1971 will in future allow private persons in Luxembourg to benefit from financial aid to build dwellings. The Luxembourg Government has itself set up several reception centres for migrant workers. A building society run by the Chamber of Trades and Labour has been created which with State aid will look after organizing homes for foreign workers. Housing needs for the category are estimated at 1 000 units. A draft law is under study concerning the social integration of immigrant workers.

263. In the Netherlands, a financial regulation came into force concerning the building of homes for migrant workers living alone. For this benefit, the building must be erected and used by a non-profit making organization and if required must be easily convertible for other accomodation uses. The State can also subsidize the conversion of existing buildings into homes for foreign workers.

264. During the period under review, the Commission prepared a third report on the folow-up of the Commission's recommendation of 7 July 1965 to Member States concerning housing for workers and their families who relocate within the Community. This report covering the period 15 July 1968 to 31 December 1970, will be published in 1972.

The Council of Ministers of Social Affairs decided in 1971 to interpolate a study on the housing problem, in the action programme for implementing Art. 118 of the Treaty. In this study particular attention will be paid to the various aspects of housing foreign workers and the practical problems they encounter in the Member States.

## CHAPTER VII

### FAMILY PROBLEMS

*There is no questioning the growing interest in family problems. At government level measures and principles have been adopted and considerable research has been done, expressing the concern that more logical and systematic family policies be applied. Indeed, public opinion seems to be more and more preoccupied with family matters. Marital problems, women's liberation, parent-child relationships are frequently featured by television, radio and the press. Family organizations are revising their attitude towards jobs for married women. The trade union organizations are taking more interest in problems outside work and some of them have set up commissions to study living conditions. Activities are springing up in townships and neighbourhoods: resident groups, consumer associations, etc. who believe that they are not sufficiently heard through the current vehicles for thought and expression are getting organized in order to influence the decisions concerning their future on, for instance, social welfare, urban re-development programmes and improvements in public transport.*

*Changing moral concepts and social ideas are emerging in reform of civil law currently underway in all Member States concerning divorce, the status of married women, the rights of illegitimate children, etc. The growing trend for women, especially married women, to take up jobs has been analyzed at the request of the Commission in a study, "The employment of women and the problems involved in the Member States of the EEC".<sup>1</sup> Among other things this survey stresses the need for children's day nur-*

*series and kindergartens. The 12th Conference of Ministers responsible for family matters, held in Stockholm in 1971 where the Commission was represented, took as its topic, "Single parents supporting children" (widowed people, divorcees, unmarried mothers, families separated by emigration). Fifteen countries took part including the Member States and the four applicant States.*

*It is satisfying to note that Luxembourg has acted on the intervention of the EEC some years ago by complying on 18 June 1971 with the Agreement of the United Nations of 20 June 1956 on the honouring of subsistence claims abroad. The Six EEC countries have now come into line with this agreement benefitting migrant workers' families who stay in the home country.*

<sup>1</sup> Report by Mrs E. Sullerot, to be published in 1972.

## TRENDS IN FAMILY POLICY<sup>1</sup>

265. The concern of several Member States shows common features: re-organization of family representation agencies attached to the public authorities, intensive efforts towards adapting family policy to current needs, projects on social security for women and the status of motherhood.

266. In Belgium the Statute of the Higher Family Council has been modified to make it more effective. Among measures adopted in 1971 on family benefits, the law of 20 July, which extends grants of family allowances for children not covered by any system, will benefit children of unmarried mothers and abandoned wives. From the taxation angle, the ceiling incomes, within which family tax reductions are applied, were raised. In some cases handicapped children will count as two dependents and in families where the father has died or is away from home, working children will be able to declare dependent brothers and sisters, if their mother's income does not cover household upkeep expenditure. These two latter measures which enlarge the family aspect of fiscal legislation had been called for by the Family League. This group is still campaigning for a social statute on motherhood which will develop day nurseries and family assistance services and grant a socio-educational allowance to mothers of modest circumstances who do not work outside the home. A draft law is intended to guarantee social security rights for mothers who leave jobs to bring up their child to the age of three.

267. In Germany the Federal Government, on 11 June 1971, in its decisions for the basic fiscal reform being prepared, expressed its intention to standardize compensation of family expenses from 1 Januari 1974. The current system involving two kinds of benefit, namely: tax reductions and direct allowances, will be replaced by a standardized system of child allowances granted to all families from the birth of the first child. The Scientific Council for Family Matters, which acts as the advisory body attached to the Ministry for Youth, Family and Health, made a report published in May 1971 on the reform of compensation for family charges which offers the following alternatives: either award allowances as an inverse proportion of income, or grant to families with low incomes allowances in proportion to the socio-cultural needs of the children. The DGB published a survey of draft fiscal reforms; it considers that the

<sup>1</sup> See also Chapter IX, "Social Security".

proposed system will be fairer for families on low incomes and also requires a limitation on the "splitting" effect as it is now applied to the separate taxation of married couples.

The problem of social security for women is covered by various projects. The Scientific Council for Family Matters has recommended that self-insurance replace the current system whereby the rights of a wife who has no professional job hinge on her husband's insurance. Important initial efforts to this end are covered by the Federal Draft law of 20 October 1971, under which certain groups previously excluded will benefit from the legal system of pension insurance, especially women remaining in the home. Moreover, in computing pensions, women will be accredited with an extra year of insurance (known as "baby insurance") for each live born child.<sup>1</sup>

268. In France, in-depth thinking coupled with short and long-term proposals were amplified by the "Family Policy" group, set up within the Commission for Social Benefits, whose report was published in March 1971. Starting with a modern concept of the family, it took as its objective to set out the fundamental methodology in developing a new family policy and to define the priorities for means involved and the strategy of their application. The draft law submitted by the Government in November 1971, as well as other measures applied or in preparation, follow up some suggestions by this group. This concerns in particular a project for reform of the allowance scale for single wage income by discontinuing this allowance to families with incomes over a certain ceiling but increasing it (to about 200 FF per month) for low income families where the mother remains in the home looking after four dependent children or a child under three years of age. The same draft law provides for mothers benefiting from this increased allowance to be registered under old age insurance, the subscription to be borne by the Family Allowance Fund. The draft law also advocates a further extension of housing allowance, grants of loans to young households and the introduction of an allowance for child supervision expenses (to be discussed later). The measures are looked upon by the Government as the basis of a "progress charter" for families, which the President of the Republic had announced at the 25th Anniversary of UNAF (National Union of Family Associations) in December 1970.

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<sup>1</sup> As regards the law on the promotion of training which came into force in 1971, see Chapter II, "Vocational Guidance and Training", sec. 55.

An advisory Families Committee has been set up seconded to the Ministry of Public Health and Social Security by the Decree of 17 September 1971. It is made up of representatives from nine Ministries, nine members of UNAF and nine experts appointed by the Minister. The Decree specifies that the two latter groups must each include at least three mothers. It must be mentioned that the trade union bodies, in the belief that family policy problems are also their concern, have sharply criticized this Committee, where they are not represented.

269. In Italy, the substantial reforms concerning housing, health, education and taxation largely apply to family affairs. The guidelines of the skeleton law of 9 October 1971 on fiscal reform are the personalization and progressivity of taxation. Tax cuts, allowed in proportion to the dependents, are more favourable than the current system. As regards working mothers, a Decree of 15 December 1970 allows the compulsory and optional leave period after childbirth to be counted towards old age pension, which disregarding age, is awarded after 35 years of premium payments.

A decree from the Minister of Labour and State Insurance is being prepared which will set up an advisory Family Commission.

270. In Luxembourg, 1971 has not seen any special measures on family allowances, except for increases due to reconciliation with the price index. The law of 27 July 1971 introducing a system of housing saving takes into account the number of children per family when fixing the income levels eligible for reduction of interest rates on loans and when computing the rates themselves.

271. In 1971 in the Netherlands, the Family Council was created (in the form of a foundation) to replace both the old Family Council and the Commission for family affairs. Five Ministries are represented on this Council and some sixty private organizations are affiliated with it. Specialized departments have been set up to deal with the following: the family-school relationship, family economy (consumer and family budget problems), incomplete families, housing and environment. About 90% of the funds allocated to the Council's budget come from state subsidies (400 000 Fl. in 1971).

## WELFARE SERVICES

272. The development of day nurseries and centres for children below school age is a common concern of all Member States. In Belgium the

creation of a "Collective Welfare Fund" armed with 500 million BFrs. in 1971, as well as a series of Decrees involving an increased financial participation by the State in the building of day nurseries and baby centres, are trying to make up shortcomings here. The Family Council in 1971 adopted a recommendation for establishing "Infant Centres" (also advocated by the French educational research institutes), which would receive children during the whole pre-school period, thus avoiding the break between the day nursery and infant school. These centres would include a day nursery, a playground, a team of private guardians trained, paid and run by the Centre, a team of family helpers and a social medical service. This proposal is warmly supported by family organizations in Belgium.

273. In Germany the number of places in the "Kindergärten" (pre-school educational establishments for children of 3-6 years) is still not enough to meet the demand. Today only one third of all children of this age group can get into a Kindergarten. The interim report of the Bund-Länder Commission for educational planning, presented in October 1971, anticipates that in 1980 70% of children between 3 and 4 and 85% of the five year olds will be able to get a place in a pre-school establishment.

More and more attention is being paid to the question of family environment on the social development of the child, particularly before school age. To enlighten decisions to be taken shortly on pre-school education, the German Sociological Society at the suggestion of the Federal Ministry of Youth, Family and Health, has carried out a scientific survey to evaluate the need of the young child for the daily presence of his mother or someone who looks after him continually.

274. In France, the provisions of the Fifth Plan which aimed at 5000 day nursery places have only achieved 50% realization. The "Demography" group within the Sixth Plan puts the need at 190 000 places whereas the number of places available today is about 30 000. The proposals of the Social Action Committee: namely provision of 13 000 places in orthodox day nurseries and 10 800 places in so-called private nurseries (*crèches à domicile*) which represents about 175 million FFrs. for the first type of nursery and 29 million FFrs. for the second, to be spread between the State, local administrations, and family allowance funds. The main difficulties are involved in the running expenses. The allowance for "supervising fees" which the Government intends to introduce would be for low-income families thus justifying expenditure committed for looking after children. The amount would be between 10 to 15 FFrs. per day, for a 20 day month. Some trade union circles fear that this application

of the allowance will tend to foster recourse to guardians and vitiate the intensive effort needed to develop day nurseries which will ensure better education.

For children of 2-5 years, the development of infant schools must, by the end of the Sixth Plan, meet the overall family demand; namely: the schooling of about 20% of the 2 year olds, 66% of the 3 year olds and almost 100% of the 4 and 5 year olds.

275. In Italy a law was approved by Parliament providing for the building of 3 800 day nurseries between 1972-1976. For finance, the State contributes 70 thousand million Lire through a special fund supplemented by the contributions of INPS (*Istituto nazionale della previdenza sociale*). The competent regional authorities will distribute the credits between municipalities against schemes submitted. As regards the need for these facilities there is a solid consensus of opinion on the part of the political parties, local administrations, enterprises, trade unions, womens' organizations, etc. since the First National Economic Development Plan had put the need at 10 000 day nurseries and only about 600 exist today.

276. In Luxembourg following new legislation on education, the number of pre-school classes has grown. There is a growing demand for childrens' daytime centres. The number of kindergartens for the under-fours is gradually climbing, whilst the part-time nurseries (*haltes-garderies*) which look after children of 2-3 years for a few hours a day are rapidly growing in number. The expenses are usually borne by the families. Some companies and a few municipalities contribute to financing these establishments. Draft legislation concerning centres for infants (including day nurseries) is in preparation by the Ministry of Cultural Affairs, Leisure and Social Action, based on opinions expressed by some of the national advisory organizations.

277. The Family Help Services in Belgium benefited in 1971 from an additional credit of 100 million BFrs. and a Royal Decree raised the proportion of the state's share in the running costs of these services.

In France, the introduction by the Decree of 8 September 1970 of a "Service benefit" paid by the family allowance fund (which may also meet part of day nursery expenses) has partially solved the problem of financing these services, but the Commission for Social Action of the Sixth Plan recommended introducing a legal benefit, if it is desired to increase the availability of family help to meet acknowledged needs.

In the Netherlands, from February 1970 to February 1971, the number of family helps rose from 5 423 to 5 563, that of full-time household helps from 6 258 to 6 658 and that of part-timers 24 031 to 30 310. The training period of family helps has been lengthened from 18 months to two years. In 1971 additional specialized courses in 90 different centres were given to household helps looking after old people.

## FAMILY LAW

278. In Germany, the draft law on reform of conjugal and family law submitted by the Federal Government in the autumn of 1971 is of special importance. It provides for the complete equality of men and women in their conjugal life. It advocates that the couple may carry the name of the husband or the wife or both, and that the household duties may not necessarily be traditionally assigned to the wife. Concerning divorce, the hallmark of the draft law is the replacement of the current concept of "responsibility" by "dissolution of the couple". In Belgium, a draft Parliamentary law provides that after voluntary separation for a certain time (5 or 10 years) the dissolution of the marriage be granted on the petition of one of the partners.

In France, an important draft reform on child status is under discussion in Parliament. It provides for the abolition of the juridical category of children begotten by adultery or incest who will henceforth be known as natural children. It will also suppress existing discrimination and will facilitate the legitimizing of natural children, even if the parents are bound by marriage and not contemplating divorce. As in Germany, reforms of the laws on abortion are being studied which are controversial issues in both countries. In Italy, the many draft laws on reform of family law mirror the widespread desire to tailor legislation to sociological evolution, particularly over the normal juridical equality of couples and the status of natural children.

In Luxembourg, the Chamber of Deputies adopted a draft law to strengthen legal safeguards for children and youth. Two other draft laws have also been submitted, one on the juridical equality of married women and the matrimonial system. In the Netherlands, the new law on divorce, which came into force on 1 October 1972, allows as the only grounds for divorce, permanent disassociation of the couple. Among its provisions is the duty of the judge to give a hearing to children over 14 years old before deciding which parent shall have custody.

## SUBSIDIZED HOLIDAYS (SOCIAL TOURISM)

279. At Community level, following the meeting held in 1970 of Ministers of the EEC responsible for tourism, the Committee of Permanent Representatives has set up an *ad hoc* group of national civil servants qualified in this field, who met several times during 1971 to work out a report on the problems of tourism within the Community.

The Community Statistics Office has also undertaken the clarification of tourism statistics by initiating an effort towards harmonization and co-ordination of surveys on holidays at national level. A simple joint questionnaire is being compiled with national statistics experts which hopefully will be used in 1972 to draw more reliable comparison of data on holiday makers, the kind of accomodation taken, the lenght of stay and the season.

280. In Belgium, the subsidies allocated in 1971 by the Ministry of Communications for the construction of housing and low-cost holiday centres have amounted to 65 million Bfrs. The Ministerial Decree of 7 October 1971 has renewed the make-up of the Social Touring Council by opening it to youth organizations. The law takes into account the work of the Advisory Committee for Camping set up in September 1970. The Royal Decree of 19 October 1971 initiates a scheme of subsidies for the acquisition, building and preparation of holiday centres for independent workers of modest means (exempt from taxation or whose annual taxable income does not exceed 180 000 BFr.).

281. In Germany, the number of registered family holiday centres has continued to grow. In 1971 the Federal Government granted subsidies for the building and appointing of 28 of these centres at a total cost of 8 million DM. The aid, distributed on an individual basis by various federal and municipal services for travel and residence by low income groups of the population, has amounted to 21.1 million DM in 1970. The youth hostels (*auberges de jeunesse*) are patronized not only by youngsters but also in solid proportions by whole families. In 1970 in the 560 existing hostels, 7.8 million overnight bookings were registered. To improve amenities offered to families, family leisure associations recognized to be of public value, the German Touring Association and the big travel companies decided at the suggestion of the Federal Ministry of Youth, Family and Health to set up an "Action Committee for Family and Leisure".

The Federal railways in 1970 set up a scheme of special advantageous terms for families during their holiday. They have also granted consider-

able reductions on travel rates for the benefit of out-of-season travel for old people. The Cultural Affairs Ministers of the various Länder, in order to more effectively stagger holidays, decided to adopt a long-term regulation on school holidays from 1972-1978. From now on, on a rotational basis, some Länder will start holidays about 15 June, while others will continue them up to 15 September.

282. In France, the Sixth Plan for economic and social development advocates a broader approach to social and family tourism. It provides for doubling the present capacity (reckoned today at about 1 200 000 places) with an increased share in their financing taken by retirement funds and industrial committees. The Sixth Plan also asserts that a parallel effort is needed for accommodation in family holiday housing, villages and lodging whose overall capacity is now greater than that offered by the standard hotel trade. But the Plan emphasizes that developments here depend on financing scope. The Commission for tourism involved in formulating the Plan had appraised the situation here, observing that the contribution in the form of loans by the Social and Economic Development Fund for the social tourism sector is but a fifth of the contribution to the hotel trade. The share of financial responsibility borne by the promoters is over-heavy and will freeze the development of these installations which are still far from being able to meet the demand.

The survey made by the National Institute of Statistics and Economic Studies showed that in 1970 44.6% of the population went on holiday (against 42.7% in 1969), that the proportions were 21% of households with annual incomes between 6-10 000 FFrs., 81% of households with incomes of 50 000 FFrs. and that 17% in all took camping or caravan holidays.

283. In Italy after recent administrative reforms, some functions of tourism will devolve on regional organizations which will necessitate restructuring the Ministry of Tourism and Entertainment especially in respect of social tourism. The Ministry has invited provincial tourism offices to take the initiative in promoting student tourism. It also had a survey made on the number and nature of amenities for social touring and youth travel (holiday centres, camping facilities, youth hostels, mountain shelters).

The labour organizations, pointing to the fact that 74% of Italians do not go on holiday, claim that there is no real social tourism policy in Italy. This is why they have formulated with the most informed social tourism organizations a draft law on workers and young people's tourism, now submitted to Parliament and endorsed by members of all political parties. These proposals include the setting up of a "National Workers

and Youth Tourism Committee" seconded to the Ministry of Tourism. Also included are regional, provincial and municipal committees and the creation of an annual fund for assisting official associations and organizations, which on a non-profit-making basis promote social tourism activity and the availability of ground owned by federal, regional or local government for building holiday centres.

284. In Luxembourg, the camping sites attract an increasing number of patrons each year. These sites, 113 of them, registered 901 644 overnight bookings in 1970, a 6.7% increase over 1969, the proportion of foreign visitors being about 92.5%. The holiday increment, between 1 500 and 4 500 LFr. per worker depending on the firm and paid mostly in the iron and steel industry, has now been introduced in some small and medium enterprises.

285. In the Netherlands the proportion of the population taking holidays goes on growing. From 42.8% in 1969, it climbed to 45.7% in 1970. The percentages were 28.6% of households with incomes of 5 000-9 000 florins and 75% for those with incomes of 30 000 florins and over. The 1969 Survey showed that 87.8% of the farmers and 66.8% of manual workers did not go on holiday and that 58.3% of childless couples took their holidays in hotels or boarding houses, whilst only 13.4% of households with one or several children chose this type of accommodation.

286. International family holiday exchanges with the assistance of the Franco-German Youth Office in 1971 involved 700 French people staying in German holiday homes and 200 German families, 800 persons altogether, who were received in France.

## CHAPTER VIII

### SOCIAL SERVICES

*Social services, in their most up-to-date concept, can make a valuable contribution to the "better quality of living" which forms one of the social aspirations of Community social policy.<sup>1</sup> The Commission is also carefully following development of these services in the Member States.*

*Two major guidelines seem to underlie this development in 1971.*

*Firstly, in the different countries an appreciable increase in credits granted has occurred, involving both public subsidies for social projects and the traditional activity of social services as well as increased benefits of social aid to help the most vulnerable groups of the population (old people, disabled people, etc.). In most countries these groups have also been the target of practical measures for their better integration into society. Despite this effort, considerable progress is still to be made, both financially and in the specific activities of social services.*

*The other guideline involves a drive in socio-cultural services, especially as regards social welfare work in the new urban neighbourhoods and the modernized old ones, as well as in rather*

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<sup>1</sup> See *Preliminary Guidelines for a Community Social Policy Programme* (Doc. of 17 March 1971).

*underdeveloped districts where thorny problems arise from population movement (the massive relocation from rural areas into industrialized ones). It is here that social services will need to work for a "better quality of living".*

*Social services for migrant workers and their families have made great strides in all countries. The results are very positive but still inadequate to cope with the massive needs. Among problems which the social services can help in solving are information, housing, migrant workers and the schooling and career training of their children as well as recognition of their civic rights. The problems, however, require concerted efforts on a national, bilateral, multilateral and Community scale.*

*The Commission has very carefully watched these efforts in relation to its recommendations on social services and migrant workers<sup>1</sup> and its own social objectives. Written into its Community Social Policy Programme as a priority consideration is "a more satisfying integration of migrant workers and their families into the new living and working conditions".<sup>2</sup>*

*A final consideration relative to the evolution of social services concerns a trend more or less underway in all countries and already the subject of several experiments. It features the active sharing by individuals in the decisions and activities affecting them. Regionalization and de-centralization achieved or anticipated in some countries have boosted this social process.*

*Continuous training and re-orientation of citizens are two vital functions of any advanced society, which must allow the active population to retain its role as the motive force of development and growth. Is a disabled person to be considered as a member of the active population? He must decide for himself in the end but society must welcome, support and integrate him.*

<sup>1</sup> See: Recommendations by the Commission to Member States concerning social services work with regard to workers relocating within the Community, Official Journal of 16 August 1962.

<sup>2</sup> See: Preliminary Guidelines for a Community Social Policy Programme (pp. 64 and 65).

*Over the last decade and especially in the near full-employment countries, systematic efforts have been made to offer disabled people the means of doing useful work and sharing fully in social life.*

*In March 1969, the Council asked for action from the Commission. The Commission made proposals and thus a cooperation was formed. Within this framework:*

- (a) A work group is responsible for preparing a long-term programme,*
- (b) A survey is underway in the Member States and will provide an overall picture of the problem within the Community.*

*To facilitate communication on the European level, the Commission organized a Conference on the professional rehabilitation and integration of the disabled. The Conference took place in Luxembourg in May 1971.*

*After the Conference, the Commission addressed a communication to the Council proposing to set up a Community institution. The institution would be responsible for maintaining the necessary contacts and the exchange of practical experience to promote knowledge and communication of the best techniques for rehabilitating and re-employing disabled people.*

287. As regards training welfare workers, there are no particularly important adopted measures to be quoted but rather the emergence of some common trends. The different countries are more and more convinced that the present society in its evolution must be equipped with professional social staff to meet numerically and qualitatively the new demands. Thus one sees new professional roles coming to the fore distinguished from social assistants (for instance, leisure leaders, educators, social, family and rural economic technicians). Their training in all countries is the subject of growing attention with an almost general concern to give it the status of "*études supérieures*".

288. In Germany where, in almost all the Länder, laws were promulgated concerning the higher trade schools (universities), the upgrading of social service schools into this higher level of training is accompanied by discussion about a new makeup of the syllabus. In Italy, it is anticipated that the training of welfare assistants will be integrated into universities following the draft reforms on university education presented to Parliament. In Belgium, the authority lying with the Ministry of Justice in the field of social studies has been transferred to the Ministry of Education and Culture by the law of 7 July 1970. The decision to class social service schools with short higher education has not found support from the Higher Council of Social Service Education which is requesting revaluation of these studies.

These problems are also being very closely followed in France where a sub-directorate of social professions was created within the Ministry of Public Health and Social Security in order to define a logical policy in this field. Efforts towards permanent professional training and social promotion (in 1971 more than 5 000 welfare workers benefited from training and development thanks to the Professional Training Fund), draft laws on regional institutes for training welfare workers, efforts towards the gradual shouldering by the State of social service school running expenses and teaching charges are all written into the guidelines of the Sixth Plan of economic and social development.

289. The contribution that these voluntary workers can make through their collaboration in some social activities was also considered: in the Netherlands, the Ministry of Cultural Affairs, Leisure and Social Action, is proposing to set up a central registry of offers and needs for voluntary workers to look after old people, children, including telephone emergencies and leisure time activity. An initial pilot project is anticipated in three municipalities. In France, the public authorities are also striving to develop this volunteer aid in the field of social action.

290. It should be underlined that in the Netherlands rules governing State subsidies were and still are conceived as one of the basic tools of the policy for wellbeing. In this framework, innovation and experiments are anticipated. If the current financial situation has indicated that subsidies be tightly controlled (subsidies for some areas of social information have been discontinued), subsidies for welfare amenities in old and new urban neighbourhoods as well as those for particular population groups (old people, migrant workers, etc.) have been retained and even increased. A new regulation came into force in 1971 (retroactive to 1 January 1970) concerning subsidies for social welfare for unmarried mothers. The subsidies, up to 90% of the expenses incurred by offices and other establishments, are directed at broadening activity and methods as well as raising the salary of welfare workers for whom specialized courses are available after their diploma.

In the Netherlands, a Commission has been set up responsible for setting out directives for legislation on the social services within the existing institutes (including subsidies) and municipal welfare service offices.

291. In the field of welfare work, Germany and the Netherlands are putting the finishing touches to their recent legislation to tailor it to the new needs of the people.

In Germany, the Committee for Public and Private Welfare has computed with dieticians the normal vital needs of the beneficiaries over a period of one month, reckoning with the rise in the cost of living and with consumer habits. On this basis during the summer of 1971 new levels have been fixed concerning subsistence aid. They work out at about 180-197 DM per month (according to location), while for households a staggered scale is applied according to age. In addition, the beneficiaries receive the actual cost of housing. Moreover, the regulation covering Para. 47 of the Federal Law for welfare<sup>1</sup> amended on 28 May 1971, enumerates under welfare, the beneficiaries of aid for integration including the mentally handicapped. Meanwhile, the supply of medical, educational and integration amenities is expanded in the light of fresh theory and experience. Another regulation on application of the above law of 9 November 1970<sup>2</sup> introduced an approximate 50% increase on the petty cash and other values that the beneficiary is not obliged to spend to meet his needs: additional family increments are also provided.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1964*, sec. 372.

<sup>2</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 242.

292. In the Netherlands on 29 September 1971, the Public Assistance Committee was set up. Its function is to express judgements on amendments and implementations of the law for public welfare, as well as on the means involved in striking a balance between welfare and other facets of the social policy (wages, social security, etc.).

293. In Italy the general reform of welfare has been considered over many years, since the current law with its obsolete criteria and applications dating from 1937 could not meet the new needs. This reform is urgent all the more now that the realization of regional organization has meant the transfer of power to regions who have no special qualifications concerning affairs under their jurisdiction, social welfare included. A skeleton law has been recommended. The principles emerging from current debates are tending to assign to municipalities the responsibility of ensuring social services to those who need them and promoting citizen participation. The functions of guidance and coordination would be assigned to the central administration and come under one Minister.

294. In Belgium, the need for reform here seems to be equally felt.

#### PARTICULAR SPHERES OF ACTIVITY

295. As regards youth, the new regulation which came into force on 1 January 1971 in the Netherlands should be noted. This regulation covers subsidies for youth activities aimed at developing new working methods as well as the facilities involved.

296. In Belgium in view of the continuous development of social services involved in the protection of youth, the creation of 50 additional posts for permanent delegates seconded to the judicial authorities for this protection is being considered.

297. In France, the Ministry of Public Health bore a proportion of the pay for 50 youth centre organizers; the credits provided in the 1972 budget allow this number to be raised to 145.

298. Concerning welfare for the disabled in Germany, efforts have been intensified to improve the situation. The Federal Government adopted an action programme for the rehabilitation of disabled people, a programme involving a considerable increase in subsidies by the Bund, the Länder and the municipalities to encourage the rehabilitation centres for disabled people.

299. For France one must mention not only the introduction of a maintenance allowance for disabled minors and adults and their affiliation to voluntary insurance, but also recall that action already under way is to be amplified in favour of disabled and maladjusted people. The coming into force in 1972 of the law of 13 July 1971 dealing with various measures for the benefit of handicapped people and a certain number of other legislative provisions will shortly enable a balance sheet to be drawn up on general activity carried on for some years.

300. In Italy a law was adopted (No. 118 of 30 March 1971) introducing new norms in favour of cripples and invalids. The law provides health assistance in all its forms and the grant, either of an invalidity pension (in case of total work disability between 18 and 65 years and afterwards entitlement to social pension) or of a monthly allowance (13 monthly payments of 12 000 lire for 66% or more work disablement).

It also contains a series of measures for vocational training and reorientation, including protected jobs and special activities to ease the life of the disabled.

Reorientation, research and prevention centres are provided. The right of disabled people to vocational training and schooling is approved up to university level and special transport, elimination of constructional hindrance, etc. will help in getting them to the educational centres. Special measures are also featured in the law to ensure the training of specialized staff and instructors.

301. In Luxembourg a special workshop for the disabled has been started up so that physically and psychically-handicapped people may be vocationally and functionally rehabilitated. Moreover, a general federal survey on the status and condition of children, adolescents and adults afflicted with a physical handicap is underway to cultivate better methods of meeting their needs.

302. In the Netherlands, the rehabilitation centres for disabled people number about 100. The subsidies behind them have been increased by 75-90% retroactively to 1 July 1970. At the inter-Ministerial level, the problem of participating in public life for the disabled is being studied, anticipating an ad hoc law. Such physical participation involves not only public buildings but also transport, housing and scope for recreation.

From 1 January 1971, the State contribution to benefits for disabled people was raised by 50-60%. The percentage of state subsidies for

welfare for the mentally handicapped was substantially raised (from 40-80%).

303. As regards old people, an overall policy should be instituted. Awareness of this need is growing all the time. Various steps in different countries are being taken to meet what are considered as priority needs (lowering of pensionable age, housing, etc.).

Since the contents of this chapter only summarize this policy, the following should be borne in mind.

304. In Belgium the Higher Council for Old Age has pursued its survey on the main problems facing old people and has expressed some opinions on council housing for these people, invalid accomodation, application of the Social Redevelopment Fund in favour of old disabled people, cultural facilities and clinical care at home for the aged. Removal and installation allowances have been introduced (Royal Decree of 10 July 1970) to help people over 65 years with limited incomes who have to move out of housing unsuited to their physical condition and move into special accomodation.

305. In Germany, the programme called "Promotion of social policy measures for the older generation" was amplified by the Ministry of Youth, Family and Health. With resources of more than 11 million DM, model schemes have been put in hand throughout the Federal territory. This Ministry has also prepared a massive programme of "Aid for the older generation" which should run from 1972 to keep up the independence of old people as long as possible and ensure their real integration into society. A draft law worked out jointly with the Länder will be submitted to the *Bundesrat* concerning the preparation of legal provisions for protecting old people in homes.

306. In France, after preparatory work, the basic concepts of government policy specially adapted to the aged have been adopted (memorandum of 24 September 1971 of the Ministry of Public Health and Social Security). The guidelines include increased aid for the elderly and aged, improvement in living conditions and introduction of suitable welfare.

Two kinds of welfare are provided whose main feature is coordination of measures in a sectorized geographical framework: welfare which helps to keep people at home (household help, nursing and medical care, visitors, etc.) and collective welfare. While the first kind must work within neighbourhoods, the second will cover several neighbourhoods (old people's

homes and test centres), several sectors (clinics, nursing homes, etc.) and regions (geriatric centres, which are a new concept including geriatric examination, a unit for serious cases, a clinic and an out-patients department). These efforts in medico-social welfare are only one facet of the improved facilities in various sectors. The minimum old age benefits were raised from 3 000 FFrs. in 1970 to 3 400 FFrs. on 1 October 1971. This figure will go up to 3 650 FFrs. from 1 January 1972. Ceiling incomes on eligibility were raised proportionally. As regards housing, a new benefit known as housing allowance has been passed-by Parliament on 16 July 1971. This allowance will dissociate this kind of housing assistance from the welfare and subsistence systems. Efforts have been extended and intensified in communication of information to old people, sensitizing public opinion, clubs, holiday assistance, studies and research into old age problems.

307. In Italy, if the social pension for persons older than 65 has seen an appreciable improvement despite the limited amount, the need is felt for a much broader range of services for the wellbeing of the old.

308. In the Netherlands, the State contribution to the running of centres for the old people has been increased from 45-80%, retroactively from 1 January 1970. On the same date, the State contribution to the costs of staff salaries for these centres was also raised.

309. Social welfare for migrant workers has certainly been strengthened in the different countries. But the rising number of workers, current recruitment methods and the accumulated delays in meeting their essential needs leave a great many problems still to be solved. The problems may now be tackled more effectively thanks to in-depth knowledge gained from surveys and research now underway at Community level. To this end many organizations have also conducted conferences and day sessions. The features of activity in the different countries can thus be summarized.

310. In Belgium where the Provincial Immigration and Reception Services have stepped up their activities, the "Manifesto for an integration policy for immigrants in Wallonia" which the provincial services of the region have submitted to the Deputy Prime Minister, is very significant. A draft law was also submitted for the compulsory organization, in municipalities with more than 15% foreign workers, of municipal advisory committees made up of employee representatives pro rata with nationality. Another draft law acknowledges the right to vote for foreign employees fulfilling certain residence conditions.

311. For France, the awareness already noted in 1970 of the requirements imposed by the importance of immigration intensified in 1971.

The hard life of many immigrant workers and their families who live on the fringe of society in appalling conditions, has certainly provoked positive reactions, amongst which must be mentioned a draft law "for guaranteeing human dignity and improving living conditions of immigrant workers". A statute for these workers is recommended as well as extension of their social rights. The efforts of the public authorities have been directed to overhauling welfare as part of a concerted immigration policy and to seeking a closer coordination and greater efficiency by private and public services responsible for the reception and accommodation of migrant workers. Social welfare for these workers, mainly backed by the FAS<sup>1</sup> involved a programme for 1971 armed with 130 million francs (mostly for housing) of which 13 million are for education, 4 million for social education, linked with the clearance of shanty towns and 9.3 million for other adaptation and social benefit schemes.

312. In Italy, the draft law already announced<sup>2</sup> concerning the drive needed to complete the schooling, training and vocational development of the children of Italian workers living abroad was passed. (Law No. 2734 of 18 February 1971). But if the law testifies to solid efforts towards solving this very complex problem, it has all the same succeeded in raising many complications. This problem will be the subject of further studies at Community level which will reckon with the education rights of these children as well as the responsibility and interests of society in general in seeing that these rights are exercised under the best possible conditions. Within this framework, a guidance course was set up with the collaboration of the AAI<sup>3</sup> for Italian teachers who will work in Germany.

As regards social services, a drive to integrate them into the structure of the Ministry of Labour has been made (Joint Committee set up between this Ministry and EISS, the organization running social services). The study of two pilot projects, one to be implemented in a northern region and the other in the south has also been initiated. These projects should allow the realization of specific intervention plans based on the combined contribution of all the social forces (organizations, groups, various experts,

<sup>1</sup> Social Welfare Fund (*Fonds d'action sociale*).

<sup>2</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 248.

<sup>3</sup> *Amministrazione per le attività assistenziali italiane e internazionale*.

etc.) functioning in these regions. The studies undertaken with the AAI<sup>1</sup> to evaluate specific requirements for the training of welfare workers relative to their work with the migrants reach a conclusion stamped by two all-important needs: thorough knowledge of techniques in programming, administration and organization of social services plus professional supervision of these welfare workers.

313. In Luxembourg, the problems created by the presence of 100 000 foreigners (including 18 000 children and adolescents, of whom 8 500 are of school age) are massive and difficult to solve. The situation has been aggravated by a lack of systematic recruitment and the hiring of people who have illegally entered the country, which resulted in an abnormal increase in the ratio of unskilled workers, illiterates and other individuals of unstable character and very limited adaptability. To deal with this problem, the government is studying the possibilities of systematic professional recruitment. It also decided to set up an Immigration Commissariat to ensure better reception of immigrants and their families: a draft law, sent for approval to the Council of State, will shortly be introduced to the House. As regards social services for immigrants, the above situation has entailed a boost of all forms of activity, exceeding 10 000 interventions. 80% of these interventions were for Portuguese immigrants; a Portuguese welfare officer was recruited. For the social benefit of immigrants, cultural and language courses for adults were set up as well as short vocational training courses. Cultural centres and associations have stepped up their activity in 1971. The State expenditure including creation of accommodation centres<sup>2</sup> is well over 65 million LFr.

314. In Germany, welfare for foreign workers (2.4 million at 30 September 1971) has been strengthened thanks to deeper knowledge of their problems. A work group was set up within the Ministry of Labour and Social Affairs, responsible for handling the integration of foreign workers, their welfare, as well as for coordinating between Bund and Länder, all the provisions for these people. Meanwhile, in about 100 municipalities, coordination committees have been set up with representation from certain public organizations, management and labour, the churches, welfare organizations and foreign workers. This activity concentrates on vocational and linguistic training, improvements in housing and strengthening social services. The Ministries for Cultural Affairs of the Länder have formulated fresh recommendations seeking better schooling for the children of these workers.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1968*, sec. 292.

<sup>2</sup> See Chapter VI, "Housing", sec. 262.

315. In the Netherlands, the increase in the State subsidy backing foundations for aid to foreign workers has raised the number of social officers by 35. There are now 130 of them handling 100 000 foreign workers currently in the Netherlands. The increase in the number of families of these workers settling in the Netherlands has sharpened the urgency of schooling and housing problems.<sup>1</sup>

316. The Fourth Report on action taken on the Commission's recommendation on social service activity covering workers' relocation within the Community is being compiled and will be published shortly.

This document, covering 1969 and 1970, shows definite progress over the period, but also indicates that the situation, marked by the increase in migrant workers and by an accentuated social and cultural gap between the homeland and new land of these workers, demands renewed and competent efforts.

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<sup>1</sup> See Chapter VI, "Housing", sec. 263.

## CHAPTER IX

### SOCIAL SECURITY

*Social security has now evolved beyond the stage of meeting the most vital needs and is reaching more and more social groups for whom it ensures better and better protection. Representing 20% of the Member States' national revenue, it reaches such heights of sophistication that the legitimacy of some of its applications is disputed, either on grounds of economic efficiency or even equity itself. It is therefore important for social progress from now on to be made by convergent efforts and to follow a definite programme. In this spirit, the Commission at the request of the Council has adopted, as one of its priorities, the creation of a European Social Budget.<sup>1</sup> This highly useful instrument will allow all the efforts on social matters at national and Community level to be interpolated into a background of medium term development. This instrument could be supplemented by a set of social indicators which would focus not only on results but eventually on targets. On this new field, an initial effort has been made with the social security indicators recently published which the Commission in response to the Council of Ministers intends to follow up and develop. These proceedings will extend at Community level efforts in hand or under consideration at the national level.*

*With Germany and France, the Netherlands could be the third Community country to have a "social budget" according to*

<sup>1</sup> See: *Preliminary Guidelines for a Community Social Policy Programme*, p. 68, sec. 6.

*the expressed intentions of the new government. Possibilities are also being considered in Italy. If one also considers the evaluation made periodically within national economic plans, work on social benefit projections is apparently in full swing. It is then tempting to compare in quantitative terms the social evolution anticipated in the different countries, and some parallels will be mentioned in the finance section of this chapter. But for want of a common denominator these comparisons are still very questionable.*

*This is not the case as regards social security as such, where financial projections for 1970-1975 were made on a Community scale at the request of the Commission. With regular legislation and reckoning with the economic hypotheses used in the six countries for national programming studies, it seems that generally speaking the trends in the various types of expenditure over the period reviewed should be less pronounced than those for 1965-1970. On the basis of 1970 = 100, the following global indexes come out: Belgium 147.9 (against 161.8). Germany 150.5 (159.8), France, 165.4 (174.3), Italy 152.8 (174.1), Luxembourg 140.7 (153.5), and the Netherlands 186 (200). Thus the overall expenditure on social security would come out by country in 1975 at 20.1%-23.3% of the national income, except for the Netherlands with 27.2%,<sup>1</sup> whereas these percentages were between 18.4% and 20.8% in 1965. According to the ILO figures for 1966, the Community countries (with between 16% and 17.5% of the GNP) are broadly ahead of other industrial countries such as the USA (7.3%), Japan (6%) or the U.K. (12.7%).*

*Since these figures are computed under regular legislation, they take no account of projects for enlarging protection. These projects cannot be overlooked, as developments in the application of social security for 1971 bear out. New social categories are to benefit from protective measures; for health in Italy with the draft reforms concerning health, for work incapacity among the non-wage earners in Belgium and the Netherlands, or for old age insurance from now on open to the self-employed in Germany. Handicapped people will get social benefits (Belgium, France,*

<sup>1</sup> This very marked progression is due to the effect of measures for improvement and protection over recent years.

Italy), also school children and students injured in accidents (Germany), working mothers for the nursery expenses of their children (France), or women not in jobs who nonetheless wish to be affiliated to pension insurance (Germany).

The projections show that in the six countries benefits in kind are increasing more swiftly than benefits in cash. Here again, study of trends through 1971 affords further information indicating that several countries took steps to control the costs of medical care: Belgium (short and long-term measures for financial improvement), France (health charter and economy measures), the Netherlands (the insuree to bear a graded portion of the risk). As regards benefits in cash, social progress measures must be taken into account, as the rest of this chapter shows. Concerning old age, the trend has appeared during 1971 not only towards guaranteeing higher incomes for old people but also as in Germany and France to set up flexible conditions for retirement age. This is to encourage more freedom for those concerned to choose when approaching age 65 whether to retire or not.

To some extent this satisfies the demand for lowering retirement age. This concern over such problems is expressed by improvement in protection in Germany (optional retirement at age 63, raising of modest incomes), in France (reevaluation of minimum allowances, progressive raising of pension levels), in Italy (increase of social pension) and in the Netherlands (old age pension raised to level of minimum salary). Looking at the 1971 trends, it seems that in the other branches of social security, especially in family benefits, that despite a certain stabilizing tendency the social needs are still provoking new measures for protection.

Finally the accession of the four applicants whose legislation is based on rather different principles should provide useful comparisons of experience within the enlarged Community.

## TRENDS IN THE FIELD OF APPLICATION

317. As in previous years, social security in 1971 was extended to new groups of beneficiaires.

In Belgium, by the Royal Decree of 20 July 1971, work incapacity insurance has been introduced from 1 July for the self-employed. The grant of daily allowances will apply at the end of an initial six months non-indemnified period of incapacity. For the ensuing six months, the amount of the allowances is fixed at 160 BFr. per day (130 Bfrs. if no dependents), while from the second year of incapacity begins the period of invalidity compensated at 220 BFr. per day (175 BFr. if no dependents). For family benefits, the law of 20 July sets up a residuary system. This ensures that children, till now excluded from the system for lack of a legal basis for grants, will be covered by family allowances, supplements in proportion to age, and birth allowances. The benefits, however, are granted only following a means test. Another law, also of 20 July, extends the benefit of family allowances to children of apprentice workers under contract.<sup>1</sup>

Handicapped people working in protected workshops are sometimes employed on wage terms lower than the daily wage required for eligibility for unemployment insurance. A Royal Decree of 24 June 1971 henceforth recognizes their right to unemployment benefit corresponding to 50% of the daily income gained in the workshop (60% if they are heads of households), if they have done altogether 100 half days work during the six months before they apply for the benefit.

318. In Germany, under the law of 18 March 1971, accident insurance is extended to cover students, school children and those attending Kindergarten. The insurance, which also covers accidents on the way to and from Kindergarten, is financed by the different States and municipalities. It is estimated that over one year, 170 000 schoolchildren, 17 000 students and 18 000 small children are victims of accidents.

For family allowances, ceiling income fixed for two-child families, already raised from 7 800 to 13 200 DM annually in 1970, will go up to 15 000 DM on 1 January 1972.

One must particularly stress the value of government initiative in shortly granting to all population groups (self-employed workers and members of the family helping them, women not holding jobs) the option of free affiliation to pension insurance.

<sup>1</sup> See also sec. 331.

319. In France, a Decree of 29 June 1971, following on the law passed on 23 December 1970, introducing an orphan's allowance, specifies that it is payable from 1 January 1971. The rates of the allowance are fixed as a percentage of the monthly base used to compute the amount of family allowances: 30% for the orphan who has lost both parents (i.e. 118.35 FFrs. per month) and 15% for the child with one parent deceased or absent or for the child where the father is not known (i.e. 59.18 FFrs. per month).

A new family benefit is created by the law of 13 July 1971; namely: the allowance for handicapped minors which, depending on means, will be added to family allowances paid up to age 20 for handicapped children and which do not offer eligibility for the specialized education allowance. Furthermore, handicapped adults will receive an allowance financed by the system of family benefits as long as their resources are not above a specified ceiling and their disability will make them unfitted for work under normal conditions until they are eligible for an old age benefit. They are automatically affiliated to voluntary sickness insurance and automatically receive welfare assistance for the expenses incurred by vocational rehabilitation.

The law of 18 July 1971 also extended from 14 July 1972 eligibility for housing allowances to the elderly, the infirm and the young wage earners, about 700 000 beneficiaries all told. Other extensions are anticipated (especially to young households).

320. In Italy, the law No. 118 of 30 March 1971 extends the aid for cripples and invalids to cover mentally defective people. They are entitled to health care and, depending on their means, a monthly allowance of 18 000 lire for total incapacity and 12 000 lire in case of 66% or more work incapacity. There is also discussion on granting the benefit of this legislation to prisoners.

But the most important draft law concerns "health reform", which staggered over several years will in 1976 allow all Italian citizens to receive all the benefits of medical care, thanks to a national health service financed by taxation and hinging on the creation of "local health units". This concept would be rather like the British system. During an initial stage commencing in 1972, it is anticipated that pensioners, the unemployed, widows and the destitute will be entitled to the benefits of INAM and that the maximum of 180 days liability assumed by the insurance will be annulled. In the second stage, the right to free hospital treatment for all citizens will be recognized.

321. In the Netherlands, a Ministerial decision of 14 January 1971 raises to 7 850 florins per year the ceiling means affecting the right of the self-employed to family allowances for the first two children. With incomes between 7 850 and 8 400 florins per year, they are entitled to the allowance for one child only.

The law of 23 April 1971 will allow non-residents under certain conditions to subscribe voluntarily to the national "widows and orphans" insurance and the law of 31 March 1971 entitles people taking jobs in the developing countries to voluntary affiliation to sickness insurance (allowances) and to work incapacity allowance (coverage applying from the time of return to the Netherlands).

The new Government has expressed its intention to turn the work incapacity insurance, currently for wage earners only, into a national insurance covering all citizens.

## DEVELOPMENT IN GUARANTEES

### *General System*

322. In sickness and maternity insurance, several steps were taken in Belgium to stem the rising expenditure in health care. Some of the measures do not affect the insuree himself like the Ministerial Decree of 19 April 1971 providing a 6% reduction in the selling prices of pharmaceutical specialties coming into the market (the application of the decree was postponed pending an agreement between the Government and the pharmaceutical industry). Other measures do affect the insuree personally such as discontinuance of refunds on eyeglass frames (Royal Decree of 25 June 1971) the introduction of a personal contribution by the beneficiaries (except for the needy) towards the cost of physiotherapy benefits (Royal Decree of 10 June 1971) or the increase by 22-25 francs of the personal contribution by widows, invalids, pensioners and orphans towards the cost of pharmaceuticals (Royal Decree of 10 June 1971). But the improvements in sickness insurance demand, in the Government's opinion, more thorough reforms. The provisions of the law of 20 July 1971 express this concern. They make it possible to fix rules aimed at revaluing the function of the general practitioner and promoting cooperation between the different groups of doctors. They are also aimed at avoiding an over-accumulation of paper work (introduction of medical logbook) and in-bringing down the

cost of clinical biology benefits as well as formulating a system of outright payment for some services, in particular those which are given in clinical institutions.

Other measures will improve the conditions of female workers. The Royal Decree of 18 May 1971 reduces to one month the qualifying period for work incapacity allowances for women who temporarily lose insuree status because they devote themselves to bringing up a child during its first three years. Another Royal Decree of 19 July 1971 guarantees the benefit of the monthly wage to women recovering from childbirth.

323. In Germany, amendments were made by the law of 21 December 1970. From 1 July 1971, the right to preventive medical checks is recognized for some insurees, namely children up to four years against diseases threatening their normal mental and physical development and annual cancer checks for women over 30 and men over 45. The same law discontinued from 1 January 1971 the reduction of sickness allowance in case of hospitalization.

The relevant Ministry also proposed to grant special benefits for women who have to give up their jobs to bring up their children. For each child, women would be entitled to a subscription-free year of pension insurance.

324. In France in 1971, the contractual system between the sickness insurance funds and the medical profession has been re-organized on a new basis. The law No. 71-525 of 3 July 1971 redefined the general relationship between the funds and the doctors, a relationship which is no longer written into geographical departmental agreements but into a national agreement negotiated between representatives of national insurance funds and the medical profession. This national Agreement, approved by the Government, came into force on 1 November 1971. It applies to all the doctors freely practicing in France with the exception of those who within three months declare their intention of not joining the contractual system. Contractual tariffs on medical fees will in principle as in the previous system be revised each year by negotiation between the contracted parties under the aegis of the public authorities. The contractual practitioners are naturally required to honour the contractual fees except in extraordinary cases anticipated by the Agreement (exceptional circumstances of time and place due to a patient's special requirements or the practitioner's standing based on academic and medical qualifications, stronger clinical authority deriving from hospital responsibilities, personal research, or long-standing practice all approved by joint medico-social bodies).

The Agreement also initiates a procedure of self-discipline for the practitioners which is an important innovation mainly within the medical fraternity. Statistics bearing on the number of patients examined and the costs of prescriptions will set up for each doctor. The aim ideally is to give the doctors themselves the missing information on their activity and especially their prescriptions. Failure to abide by the procedures of self-discipline could lead to the Sickness Insurance Fund barring from the Agreement a practitioner who habitually flouts the principles of economy required by both the agreement and vocational ethics. These provisions will in no way obstruct the liberty of doctors nor prejudice the interests of patients. They will initiate a permanent and confident collaboration between the medical profession and the sickness insurance organizations to check escalating health expenditure.

As regards dental surgeons, midwives and medical auxiliaries, the law of 3 July 1971 defines their relationship with the sickness insurance funds either within the new medical agreements, as for the doctors, or failing such agreements, within geographical department agreements according to the system in force.

The daily sickness allowances were adjusted by a Decree of 6 May 1971 applicable from 1 April 1971.

325. In Italy, discussions went on during the year to finalize the major project of health reform which has been on the stocks for some time and which will lead to setting up a genuine national health service. The current system is under fire from both the organizational and economic standpoint since health expenditure has gone up according to some studies by 155.6% during the period 1961-1970.

The cash benefits for tuberculosis sufferers were improved from 1 January 1971 (law No. 1088 of 14 December 1970). The insureds receive during the cure period and for 180 days a daily allowance equal to the sickness allowance (minimum: 1 200 lire per day) and then supplemented by the amount of the family allowances. The convalescence allowance (payable after at least 60 days treatment) is raised to 2 000 lire per day, the increased amount of family allowances, non-cumulative with the preceding allowance. Furthermore, daily allowances are to be provided for all citizens in need depending on means (annual income lower than 960 000 lire).

326. In Luxembourg, the maximum of normal wages was raised from 600 to 700 francs from 1 July 1971. This figure, representing a contribution ceiling, also serves in computing the daily cash sickness allowance. The

latter has been raised from 420 to 490 francs by the National Sickness Insurance Fund for Workers and from 450 to 525 francs by funds operated by firms.

From the same date, the minimum subscription for sickness insurance of pensioners was raised from 470 to 560 francs and the maximum raised from 655 to 756 francs.

327. In the Netherlands, a Royal Decree of 24 July 1971 issued within the framework of national insurance on special medical charges, recognizes entitlement to refund of charges incurred in nursing establishments as yet unrecognized in cases where, with no room available in registered centres, insurees cannot otherwise get the nursing their condition requires. A Royal Decree of 18 August extends the insurance to benefits embodied in the treatment of several disabled residents in the village specially set up at Arnhem as well as the medical, nursing and transport charges for handicapped children in the centres which they attend daily.

By another Royal Decree of 18 August, the benefits in kind for sickness insurance of wage earners were extended to cover chronic treatment of dialysis and oxygen assisted respiration, the rehabilitation of invalids in specialized day centres, the refund of charges incurred in transplant operations as well as domestic nursing insofar as it is run or backed by a clinical institution.

The new Government hopes to introduce a system of individual participation by the insurees towards medical care which up to now had not been considered. This measure fits into a context to be touched on in the section of this chapter dealing with financial problems.

328. For invalidity, old age and survival insurance, the level of benefits has been raised in all countries. In Belgium, index adjustments occurred on 1 April and 1 October,<sup>1</sup> while on 1 July the old age and survival pensions were raised by 5% and the minimum guaranteed income for old people by 10% (i.e. 40 745 Bfrs per year per household). The minimum amount for invalidity insurance is raised from 233 to 265 Bfrs. per day with dependent family and from 186 to 212 Bfrs. without dependent family. In Germany, the revaluation of pensions was fixed at 6.3% and in France at 10.1%. In France, improvements were also made to the minimum old age

<sup>1</sup> A law of 2 August establishes on a new basis the automatic link between benefits and the consumer price index. The benefits from now on vary by 2% each time the average of the consumer prices index for two consecutive months passes the next basic index.

pensions which go up from 1 750 Ffrs. to 1 850 Ffrs. annually on 1 October, while the additional allowance from the National Solidarity Fund was raised at the same time to 1 550 Ffrs. and will be put up to 1 800 Ffrs. on 1 January 1972 which will bring up the minimum income for elderly people to 3 650 Ffrs. or 10 francs per day. In Italy, pensions have been re-rated up by 4.8% from 1 January in relation to the increased cost of living. Index adjustments also occurred in Luxembourg (4.5%) and the Netherlands (3% and 5.87%).

329. During 1971, several countries gave careful consideration to their aims concerning pensions.

Thus, in Germany, the Minister presented proposals in a 5-point plan. These proposals move away from the concept of a fixed retiring age (at the moment 65). The prospective pensioner with 35 years of insurance to his credit would at age 63 be entitled to choose his retirement date. The pension claimed at 63 would, however, be lower by 5% but the pensioner could carry on working within certain limits.

Other propositions concern the raising of modest incomes (the beneficiaries being mostly here female insurees), extension of insurance to cover new categories as already mentioned, the sharing between a divorced couple of pension rights accrued during the marriage as well as the entitlement of women to one year of paid up pension insurance for each child reared.

The problem of retirement has also stirred social opinion in France. Demonstrations and work stoppages took place to demand lowering of normal retirement age to 60 years. For its part, the Government made known the measures it was taking to benefit elderly people. These measures among the priorities of the Sixth Plan include: a major revaluation of the minimal allowances, progressive rises in pensions reaching by 1975 50% of wages earned at age 65 (instead of 40% at present) by counting years of subscription after age 30, more flexible retirement conditions applied to employees between age 60 and 65 in the case of inaptitude<sup>1</sup> or redundancy and extended health and welfare programmes for the elderly. It will be recalled that the "legal" pension age is already fixed at age 60 but in this case only yields a pension of 20% of the ceiling salary. In 1975, this level will be raised to 25%.

The rights of the surviving spouse were the subject of two Decrees. The Decree of 11 February 1971 modifies the concept of a "dependent

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<sup>1</sup> 50% incapacity will suffice for eligibility from now on.

spouse" by appreciably raising the amount of allowable personal resources and the Decree of 7 April 1971 amends the marriage terms covering the deceased spouse and the survivor.

A national collective agreement standardized the retirement of all agricultural workers (about 500 000 beneficiaries). The agreement made on 24 March 1971, based on the principles governing retirement of all agricultural workers (collective agreement of 17 June 1970), applies from 1 October; it introduces a subscription from wages borne mutually by employers and employed with a rate fixed at 4.1% in 1971 which will be progressively raised to 4.4% by 1974.

In Italy, Government projects also provide amendments to current legislation, especially concerning invalidity, raising social pension levels and their allocation to Italian citizens living abroad as well as the extension of sickness assistance to persons receiving this pension. Despite the improvements made by the 1969 law, there are still more than 3.5 million former wage earners (60% of the pensioners under the general system) who receive pensions no higher than 26 000 lire per month.

It is worth noting that a Constitutional Court Decree considers non-valid the legal distinction between workers and employees concerning the reduction in earnings capacity stipulated for invalidity (the law does fix the level at less than 50% for employees and less than 33% for workers). This inequality of consideration is now declared unconstitutional since according to the Decree it cannot be justified in view of developments in terms and conditions of work.

In the Netherlands, the new Government announced that over the next few years it intends to raise the old age pensions of married people to the minimum wage level, (with parallel adjustments for old age pensions of single people and widows' and orphans' pensions). Furthermore, from 1 July 1971, the financial situation of workers invalidated before the application of the new law on work incapacity (1 July 1967) was improved. An opinion was requested from the Economic and Social Council concerning fresh improvements to be brought in for these workers.

An agreement in principle was made between both sides of industry at the Labour Foundation to standardize the right of all wage earners to an additional pension which, together with the legal pension, will raise the amount of old age pension to 70% of the last income earned.

330. As regards industrial accidents and occupational diseases, the law of 10 April 1971 in Belgium must be mentioned, introducing compulsory insurance against industrial risks. Up till now, the employer was responsible

for injuries incurred from accidents but could insure himself against them. Henceforth, responsibility for injuries no longer rests with the employer who must all the same insure himself, the insuring organization being the only source of benefits. The same law coordinates, simplifies and brings up to date the legislation on the subject. It covers all the systems running in the private sector, specifies the definition of industrial accidents and includes a table of amendments to previous provisions mainly concerning the benefits for total temporary incapacity, which are raised to 90% of average daily pay from the onset of incapacity (previously 80% for the first 28 days) and also covering allowances for spouses, children, grandchildren, brothers and sisters.

The benefits were adjusted to the index in April and October. The ceiling serving as a basis for computing benefits and premiums is raised from 200 000 francs per year to 300 000 francs from 1 January 1972. Improvements covering industrial accidents are also applicable in the sector of occupational diseases. The additional allowances were increased over and above the index movement by the Royal Decree of 25 October 1971 applying to the sectors of industrial accidents and occupational diseases.

In Germany, revaluation measures were applied (12.7%) besides the extensions in the area of application for accident insurance already mentioned.

In France, industrial accident annuities were revalued by 10.1% at 1 April, as well as the daily allowances. Index adjustments were also made in Luxembourg.

In Italy, a new administrative procedure was introduced from July which will speed up payments of benefits. From now on, these are paid directly by the directorate of INAL through a punch card system; they may be paid into postal or bank accounts at the choice of the insuree.

331. Concerning family benefits, the law of 14 May 1971 in Belgium extends up to age 25 the grant of allowances for daughters remaining in the home. A Royal Decree of 9 April maintains the benefit of family allowances for students working during vacation or less than 80 hours per month.

Besides the index adjustments in April and October, the law of 20 July 1971 must be mentioned which introduces under the name of "Welfare and Collective Services Fund" a fund responsible for these ser-

vices for the benefit of wage earners' families through an endowment of 500 million BFrs. taken from the reserve fund of the National Family Allowance Office for wage earners.

In Germany, projects are under study linked to fiscal reform. The twofold system of family allowances and taxation relief will be discontinued.

In France, by a Decree of 5 February 1971, the maternity allowance as from 1 January 1971 was raised to 260% of the highest monthly base for computation of family benefits applying in the *Département* of abode. It therefore climbed by 789 francs to 1 025.70 francs on 1 January and thence to 1 080.30 francs on 1 August 1971.

The Government has finalized the draft reform allowances against the single wage: the current allowance will be made up by an extra allowance in proportion to the number of children and the family income. For the most poorly off families, the new allowance will eventually double the current one. A "nursery" allowance will also be paid when the mother is working for a modest income so that she can defray the day nursery charges.

In Luxembourg and the Netherlands, the family benefits were adjusted to the index over the year under the same conditions as other social benefits. But, it should be noted that the new Dutch Government expressed its intention of freezing the family allowance for the first child at the current level and, if the financial situation requires it, the allowance for the second child as well.

In Luxembourg, from 1 January 1971 an intrinsic increase in allowances from the birth of the third child has been granted. The allowances were raised from 677 LFr. to 830 LFr. at index 100.

332. Unemployment compensation was adjusted to index movement in Belgium. Unemployment allowances were increased by 10% from 1 October 1971. In France, the minimal allowance paid by the complementary unemployment insurance system was raised in two stages from 8.86 francs to 10 francs per day during the first three months, and from 7.70 francs to 8.69 francs per day afterwards. Some conditions of allocating the allowance of public aid to unemployed workers were made more flexible by the Decree of 17 August 1971 to allow cumulation of public and private allowances up to an amount of 90% of the previous pay (instead of 80%). In Germany and the Netherlands, unemployment benefits are automatically linked to wage increases. In Luxembourg, the maximum for the daily unemployment allowances has been raised from 360 to 420 francs.

In Belgium, the methods of computing benefits were substantially amended. From 1 November 1971, a new system will apply replacing the current lump sum system by a scale of compensation proportionate to the wages lost.

A interim stage will allow unemployed people registered before 1 November to be integrated into the new system by 31 October 1972 at the latest.

At the same time, some regulations will be tightened up to put an end to certain abuses.

Also to be mentioned are the scheme in Germany for bad weather unemployment compensation per hour lost (up to now rated daily) and an agreement in France drawn up on 15 June 1971 between both sides of industry to raise from 1.70 francs to 1.85 francs the amount of hourly compensation paid out against partial unemployment and up to 240 compensatable hours per year instead of the previous 160. In Luxembourg, the law of 28 January 1971 grants to building workers a compensatory wage against bad weather not lower than 80% of the prior gross hourly wage. This wage is due from the employer for each hour of work lost above a rate of 8 hours per month. From the 17th hour onwards, the compensation charges are borne by the public authorities.

### *The Mining Industry System*

333. In Belgium, the benefits were adjusted to the index in April and October while invalidity pensions were increased by 5% from 1 July.

A stopgap allowance against pensions was adopted in favour of miners hit by mine closures just before getting their pensions. Thus laid-off miners with more than 25 years of service under ground or 30 years above ground will be granted an amount equal to retirement pension.

Revaluation measures were also applied in Germany (6.3%) and in France (1,395% on 1 January and 1,944% on 1 June). In the latter country, a Decree of 2 April 1971 amended the base rate of "heating" benefits now raised to 450 francs per worker from 1 January. A Decree of 8 June 1971 transposes into the mining industry system, amendments affecting the general system of marriage conditions governing allocation of widows' pensions.

In the Netherlands, interim pensions for miners were revalued like the national insurance pensions. From this year onwards, beneficiaries of these pensions will receive in addition, as other pensioners, a holiday increment of 6% of their pension.

### *The System for the Independent Worker*

334. In Belgium, appreciable improvements have been brought in for independent workers with the law of 9 June 1970.<sup>1</sup> From 1 July 1971, pensions were increased: thus the household pension was raised for widows or people living alone from 31 275 BFr. to 34 942 BFr. Besides the family allowances, supplements in proportion to age are henceforth allowed as under the wage earners' system except for the two youngest children. The extras were fixed at 426 BFr. per quarter for children of 6-10 years, 753 BFr. for 10-14 years, and 1 218 BFr. for children over 14 years. Furthermore, on the same date as already mentioned, a work incapacity insurance was introduced for the benefit of the independent worker.

At structure level, one must mention the creation of the National Institute of Social Insurance for the Self-Employed Worker (Institut national d'assurances sociales des travailleurs indépendants) (INASTI) by the law of 21 December 1970. This institute groups together the previous organizations involved with pensions and family allowances.

In Germany, craft workers' pensions were revalued. Mention has already been made of the project for extending pension insurance to the self-employed and the intention to raise the income ceiling affecting entitlement to family allowances in two-children families.

In France, the values were adjusted in the points system covering retirement pensions for the independent workers. Adjustments were also made in certain categories of subscription. Some of the systems are causing some concern over the financial balance. A study Commission was set up to propose a new system of old age insurance for non-wage earners which would be based on national solidarity. The suggestion put forward by the Artisans Fund was for the future system to be based on the wage earners old age insurance with a basic system accompanied by complementary systems.

In Italy, the law No. 509 of 30 June 1971 raised to 40 000 lire in 1971 and 55 000 lire in 1972 the annual sum of family allowances in favour of farm holdings; namely: tenant farmers and smallholders, which had been 22 000 lire till then. An increase in State subsidies corresponds to this.

Pensions in the craft workers' and merchants' systems were revalued similarly to those under the general system.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 271.

Revaluations have also occurred in Luxembourg and the Netherlands (national insurance). In the latter country, extended measures for protection were adopted or anticipated as already mentioned. In Luxembourg some provisions on sickness insurance for independent trades were amended by a law of 11 June 1971 to fix a minimum contribution for pension beneficiaries.

## FINANCING - PROSPECTIVE DEVELOPMENTS

335. In Belgium, some amendments were brought in for computing subscriptions from 1 July 1971. The employer's subscription level for unemployment insurance climbed from 1.20 to 1.70% to afford adjustments in benefits in proportion to the rising trend of workers' incomes. As regards pensions, and in the framework of merging different systems, the employees's subscription rate is fixed at 5% (instead of 4.75%) and the employer's at 7.25% (instead of 7%).

But the problems of financial balance arise especially in the sickness insurance sector. A series of short and long-term measures was adopted. Most of them have been mentioned already. To be added are the measures provided by the law of 5 July 1971, which puts up the employers subscription to sickness insurance (from 1.70 to 1.80%) and raises the ceiling of the monthly wage used as a base for computing subscriptions to health care insurance (ceiling raised from 17 700 to 25 000 BFr.). At the same time it settles the distribution of the burden of subscriptions between employer and worker: henceforth the former would pay 3.75% instead of 3.10%, or an increase of 0,65% compensated by an equivalent reduction in the wage earner's subscription brought down from 2.65% to 2%.

The National Labour Council is studying reforms to be applied to the financing of social security.

Its opinion will be communicated to the Minister of Social Insurance early in 1972.

336. In Germany, the subscription for unemployment insurance is to be raised from 1 January 1972. Its rate will go up to at least 1.7% (instead of 1.3%).

During the year, the German Government published the "Social Report for 1971" which, in its social budget section, covers the financial projections up to 1975.

The overall progression of social expenses during 1970-1975 should come out according to the computations at index 152, or an annual increase of 8.8% over the GNP (about 7%) over the same period. Benefits in kind (10.9%) will go up more than benefits in cash (8.4%). Thus social expenditure will represent 21.5% of the gross national product in 1975, against 19.9% in 1970 and the expenditure on social security itself 18.8% against 17.3%.

337. These figures can be reconciled with the projections made in France within the compass of the Sixth Plan.

According to these projections, the bulk of social benefits would in 1975 reach an index of 145.5 compared to 1970 with the different branches coming out as follows: sickness insurance 160.7, old age 148.2, family benefits (including housing allowance) 118. The Plan has retained the rate of progression from 45 to 56% in real values, but has provided for a wide redeployment of expenditure. In this overall evolution, the social security expenditure would theoretically represent 19% of the gross domestic product of 1975.

According to these same provisions, a problem of financial balance will therefore arise. The Government declared that economy measures will have to be brought in and that a balance in social security cannot be reached without fresh financial means. But it considers that it would be premature to set up right now the list of these measures which can be studied during Parliament's annual scrutiny of the social programme.

As regards the financing of the French agricultural system, it is worthy of note that a study by the Centre of Agricultural Enterprises advocates a large increase in subscriptions paid by the big operators, while questioning the high percentage of the contribution by the public authorities to the budget of agricultural, social benefits.

338. In Italy, two laws of 4 August 1971 allow relief on social charges. The first (No. 589) extends to 1980 and increases the advantages recognized in 1968 for the enterprises in Southern Italy (relief raised from 10 to 20%). The second (No. 590) is of short-term nature: it grants relief of 5% on charges only for the period 1 July 1971 to 30 June 1972 for craft work enterprises and for small and medium sized industrial enterprises (in general those with less than 300 workers).

Health reform will have to be one of the main features of the 1971-1975 economic programme.

339. In Luxembourg, financing of social security is generally established. An important reform in sickness insurance was prepared during 1971 and which by all estimates could be voted by the Chamber of Deputies during 1972.

The new financing will be made thanks to the cooperation of individual responsibility of the insurees, and inter-professional and national solidarity. The insurees will contribute personally towards the small risks. Inter-professional solidarity will infuse new means by introducing the principle of equality of contributions. These will be borne in future equally by employer and wage earners or by the agencies disbursing pensions and annuities and the recipients of these benefits. The ceiling for contributions will be fixed at four times the minimum social wage. National solidarity will carry the permanent burden of some benefits allocated under sickness insurance, but which exceed the traditional limits and obligations of inter-professional solidarity, due to the nature or size of the risk.

As regards pensions, the report of the International Labour Office on the financial actuarial situation in the Luxembourg pension schemes offers useful data which the Government during the year will submit to the competent institutions for opinion. It is premature to draw conclusions on this matter but up to now it is certain that financing will have to be seriously recast to serve as a solid foundation for pension schemes.

340. In the Netherlands, the new Government decided that the raising of social charges would have to be limited over the next four years to about 3% of the net national income. Reckoning with the improvements in view for social protection, this objective will not be attainable unless in the government's view current legislation in force undergoes certain adjustments which could take practical shape in the following measures: introduction of a limited personal share in sickness insurance, freezing of the family allowance sums for the first child and possibly the second, sanctions on abuses, and prevention of benefit accumulation.

In the Government's announcement, the intention was expressed to give social expenditure programmes a more practical content by setting up a "social budget" embracing the development and financing of the bulk of this expenditure over the next few years.

#### ACTION TAKEN ON RECOMMENDATIONS BY THE COMMISSION

341. The recommendations made on 23 July 1962 and 20 July 1966 by the EEC Commission to the Member States asked the Governments concerned:

(a) To adjust the national list of occupational diseases to the European list,

- (b) To adopt a "hybrid system" for the indemnification of occupational diseases which consists of combining the list system (diseases automatically attributed to industrial causes and the system requiring proof,
- (c) To exchange information through the Commission,
- (d) To examine certain diseases enumerated on an annex list with a view to their possible inclusion in the European list,
- (e) To discontinue the limiting conditions obtaining under some legal systems for the indemnification of occupational diseases.

In March 1971, the Commission transmitted to each Member State, as it already did in 1963, 1965 and 1967, a questionnaire on action taken over the two recommendations. There follows the gist of information gathered.

Studies were made in France, Belgium and Italy on the inclusion of new diseases in the respective national lists. Belgium and Germany asked the Commission to revise the European list as provided for by the 1962 recommendation covering advances in scientific and medical knowledge on occupational diseases and the Commission will tackle the matter from this angle. Belgium also suggested that for optimal utilization of the European list, it should be matched with a decimalized coding similar to the Belgian one.

342. The "hybrid system" was adopted in toto by Germany and Luxembourg and is running in part in Belgium and France. In Germany and Luxembourg the system is still giving complete satisfaction. It does not provoke a flood of bogus claims for indemnity and ensures compensation for workers genuinely suffering from an infection contracted when performing their industrial jobs.

In Belgium, the "hybrid system" exists through the combined function of the Royal Decrees of 28 March 1969 and 11 July 1969. The latter lays down the limiting conditions (as regards work) of a legal presumption. But a worker suffering from a disease covered by the first Decree and who is not in a job covered by the second can submit proof of cause and effect between his work and the disease. In France, a "hybrid system" can be said to exist from 1957 (limited to silicosis and later siderosis) since compensation may be granted for these pneumoconioses, even if the conditions covering the periods of risk exposure and liability are not fulfilled. It is sufficient for the "Panel of Three Pneumoconiosis Specialists" to certify

the link between work and the disease. This exemplifies the proof system combined with the automatic presumption system which is the characteristic feature of the hybrid system advocated by the Commission.

Concerning the limiting conditions whose discontinuance is recommended in 1966 to be replaced by medical diagnosis and expertise, those earlier conditions concerning the periods of exposure to the risk and liability were annulled in German, Belgian and Luxembourg law save for a few justified cases in line with the exceptions provided for by the recommendation. The Netherlands do not come into the picture since the law of July 1967 covering earning incapacity has replaced the concept of occupational disease. Thus, three countries out of five in the EEC have relevant legislation conforming with the recommendation of the Commission.

### *Social Security for Migrant Workers*

343. 1971 was marked by the adoption on 14 June 1971 by the Council, of Regulation EEC No. 1408/71 which supercedes Regulation No. 3 of 1958. On 20 July 1971, the Commission transmitted to the Council a proposal for a regulation to replace the application terms at present in force and in particular Regulation No. 4 of 1958.

These revised Regulations on social security for migrant workers will come into force the first day of the seventh month following publication in the Journal Officiel of the EEC of the executive regulation. The Regulations currently running cover each year a number of beneficiaries exceeding two million and provoke between the Member States a flow of funds to the order of 160 million units of account (last available figures), without reckoning with the ample sums paid directly to recipients under the legislation of Member States who are residents without being nationals.

The number of beneficiaries under the new regulations will be greater still since the field of application has been stretched for some categories of workers and risks.

Apart from workers outside their own country, workers living and working in the same country plus retired wage earners and their families may enjoy under the regulations certain benefits, for instance, health care during temporary residence in another Member State, especially during holidays.

## CHAPTER X

### SAFETY, HEALTH AND HYGIENE AT WORK

*Improvement in safety and hygiene throughout living and working conditions is held to be a priority line of action among the "Preliminary Guidelines for a Community Social Policy Programme."*

*This trend is emerging in a more critical attitude towards all production methods. The aims are working conditions and industries which harm neither the worker nor the environment. Moreover, there is a mounting awareness that "safety" is not simply the same thing as "no accidents" and that strict control must be maintained over the whole industrial process. Similarly, concepts of industrial medicine and hygiene are changing. Health is no longer just absence of disease, it means better adaption between man and his environment. A man's work must allow, indeed, promote, his physical and mental development. Modern concepts of rehabilitation and vocational training are in line with this philosophy.*

*Statistics certainly show a fall in the frequency of occupational diseases. But this trend hinges on how one defines such diseases, for the number of people suffering from silicosis (in coal mining) represents the majority of the total, thus favourably colouring the trend. Indeed, although industrial development involves the elimination of unhealthy workplaces, it also spawns new dangers and new diseases inherent in the new industrial processes and manufactures.*

*Although overall statistics on industrial accidents also show a lower accident frequency, in some sectors and countries the situation is still unjustifiable and disturbing.*

*In the iron and steel industry, for example, safety standards have deteriorated in Europe for some years compared to the minimum level attained 1967 for both fatalities and lost-time accidents. Belgium and particularly the Netherlands are the only exceptions. In all the other countries following a host of successful campaigns, a certain standard apparently cannot be surpassed. Further progress appears possible only by means of new drives.*

*Proposals have been made to study the problem imaginatively and invite the collaboration not only of safety experts but also of production and organization specialists. In safety, the attitude of all involved is vital. It is highly desirable to develop systematically working relationships between safety specialists and both sides of industry as has already been done in the mining and steel industries.*

*In the Community today from all accidents at work, on the road, in leisure time and in the home, there are about 100 000 deaths and 12 million injuries per year.*

*Facing the stricter requirements in safety and hygiene, the public authorities are amplifying their efforts to:*

- (a) Adapt legislative and administrative provisions to the changing technological needs;*
- (b) Coordinate more effectively the qualified services for industrial safety and foster cooperation. Thus promotion of industrial safety within the enterprise is subject to growing attention from the legislative bodies;*
- (c) Approach safety problems in a general context for the whole population and its activities.*

*The Community owes it to itself to support and assist the Member States in promoting their efforts and ensuring better results. National efforts towards improving safety and hygiene in working and living conditions are liable to be held up because inconsistencies arising between Member States provoke distortion of competition within the Common Market.*

*Initiative must also be taken to establish Community norms for industrial safety and hygiene and limits for environmental nuisance in work areas. Priority action is called for in the campaign against noise, dust and toxic substances. Efforts to combat occupational disease must also be stepped up.*

*Only at Community level will it be feasible to make a unanimous choice on the basic issue of accepting a possibly less rapid rise in productivity in exchange for more wholesome working conditions.*

*With these observations in mind, the Commission considers that both sides of industry should give careful thought to working conditions, the safety and health problems encountered there and the scope for solutions and remedies, with the twofold aim of:*

- (a) Bringing out factors of common experience and formulating "codes of good practice" to guide the conduct of everyone.*
- (b) Combining the study of dangers and their consequences with theoretical knowledge of nuisances in order to provide an objective basis and up to date criteria for preventive techniques.*

*This work has long been going on in mining and the steel industry; the ECSC Treaty provided the basis for this action. Parallel efforts have been made more recently in agriculture. The Commission is anxious to foster this kind of activity in other sectors and to see joint commissions set up. The priorities should reckon with current danger levels; thus it is impossible to neglect any longer shipyards, building and public works, etc. These sectors have a high number of accidents.*

*Experience has shown that joint action based on principles accepted by all can keep on reducing accident frequency. To this end, the desire to participate on the part of workers can be an earnest of success. Organized pilot schemes would avoid costly separate projects.*

*The joint commissions might also effectively bring to the notice of the Community authorities the most apparently urgent problems and Community regulations—based for example on Arts. 100 and 101 of the EEC Treaty—would be made whenever experience prescribed them.*

## *Benelux*

344. Frontier checks within Benelux carried out in the interest of industrial safety were discontinued on 1 January 1971.

Work on standardization of job safety has gone ahead, pending the application of the blanket law covering dangerous machines.<sup>1</sup>

In particular, the standardized texts on timber preparation machines and compressed air tanks were confirmed and transmitted in the form of a draft regulation to the governments. The procedures concerning the safety cabs and frameworks for agricultural tractors are under a second examination. The same applies for rotating tower cranes on building sites and to leather work machines. Revisions and recommendations concerning acetylene generators and the utilization of benzene were sent to the advisory commissions.

## *Belgium*

345. The year 1971 was one of "social elections" especially in the convening or renewal of committees for safety, hygiene and workplace improvement.<sup>2</sup> In this field, a law (17 February 1971) and five Royal Decrees (two on 18 February 1971 and three others on 10 March, 14 March and 28 July 1971) were promulgated. All these procedures bear on the role and function of these committees, on the employer's obligations as well as the terms of eligibility which are now especially interesting for foreign workers. The regulation concerning the safety and hygiene committees is now compulsory in agricultural enterprises whatever the number of employees and companies in the diamond industry are obliged to set up a safety and hygiene committee if they employ at least ten employees (in general, this obligation falls on companies with at least 50 employees).

In the terms of the Royal Decree of 10 March 1971, committees for safety, hygiene and workplace improvement are authorized to take up any questions related to the set up and running of industrial medical services.

As a waiver on the regulations governing raising equipment, the Ministerial Decree of 30 December 1970 has allowed, under certain conditions, the use of lift shafts without shaft-pits. By the Royal Decree of 23 December 1970, the earlier Regulation covering protection against

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 282.

<sup>2</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1961*, Appendix VI.

ionizing radiation was brought into line with the modifications to the Euratom basic norms. The Decree also amended the provisions dealing with the medical application of ionizing radiation (diagnostic and therapeutic instruments) which primarily concerns registration procedure, instrument safety, the premises and the operators' qualifications. The Ministerial Decree of 8 March 1971 authorizes the use of the procedures of norms NBN 731 to 741 for boiler components and also allowed standardization of calculation methods advocated by the draft proposal ISO TC 11.

In 1971, the Regulation concerning industrial hygiene and premises was extended to cover two areas: the lighting of premises and use of toxic materials. A Royal Decree of 14 July 1971 completed the provisions covering artificial lighting for environmental lighting, minimal standards for work stations as well as safety and emergency lighting. Use of carbon tetrachloride and other chlorine derivatives was restricted by the Royal Decree of 25 October 1971.

For electrical installations, the Royal Decree of 26 February 1971 introduced new provisions on grounding, use of high tension in controlled areas, use of portable electrical apparatus with double insulation and the use of materials protected against explosion in the danger areas of petrol depots and stores of similar inflammable materials.

Some new provisions were introduced by the Royal Decree of 29 January 1971, concerning traffic aisles in work areas, the stability of material storage equipment, the disposal of shavings, chips and dust from timber processing machines, and the detection of occupational disease in workshops handling exotic timbers.

Within the law concerning the campaign against pollution of the atmosphere, the Royal Decree of 26 March 1971 brought in prevention measures concerning pollution spread by combustion installations. The measures are particularly applicable to appliances and combustion equipment used for heating premises.

Precautions against fire, explosions and accidental leaks of noxious or inflammable gases were amended by the Royal Decree of 7 May 1971 which clarifies definitions of fire resistance by referring back to specifications of a recent Belgian norm and which takes into consideration practical experience gained.

A Royal Decree of 5 November 1971 confirmed the obligation of any industrial doctor to take an additional diploma in industrial medicine.

The Decree also provides interim measures in favour of doctors who can testify to some experience in this field.

Administrative instructions applied from 1 July 1971 require the industrial medical authorities to guide the action of industrial doctors towards tightening the supervision of industrial hygiene conditions which will involve an evaluation of jobs and seeking ways to moderate any exaggerated demands of these jobs.

A Ministerial Decree of 25 October 1971 fixes the terms of registration for laboratories and services performing chemical analyses on behalf of industrial medical services.

Lastly, a Royal Decree of 25 October 1971 standardizes the contents and equipment of first aid boxes and medical facilities which industrial enterprises must provide to meet the provisions concerning first aid, etc. in the case of injuries or sickness.

### *Germany*

346. The law on explosives<sup>1</sup> (*Sprengstoffgesetz*) was the subject of two application ordinances (on 17 November 1970 and 24 August 1971) and a general regulatory provision (19 May 1971), which cover respectively the law's application to nationals of Member States, the duty of employers to notify in time the inspection authorities of detonation plans, the interpretation of the purpose and field of application of the law, authorizations for transport of explosives, control and recognition of training courses on work with explosives.

In a directive of 10 November 1970, the Minister of Labour and Social Affairs recommended to the higher authorities for work protection of the "Länder" to bring in the directive published, in agreement with the Ministry of Labour, by the German Engineers' Association on the evaluation of work station noise in relation to loss of hearing, with a view to improving safeguards for workers against the noises in question.

The Federal Government addressed an ordinance to the "Bundesrat" for approval, aimed at simplifying regulations governing lifts. The German

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1969*, sec. 276.  
*Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 286.

commission on lifts<sup>1</sup> would be responsible for formulating technical procedures for installing and using lifts in order to specify the regulations in these amendments and fix the rules for safety techniques generally recognized in practice.

On 17 September 1971, an ordinance was published concerning dangerous working materials. It protects persons using these materials against the dangers involved. With this ordinance the provisions of the Council Directive of 27 June 1967 applying to dangerous substances are integrated into the national law.

The Federal Government addressed to the legislative bodies a draft law on protection against injurious environment due to air pollution, noise and vibrations. A law is in preparation concerning organization of medical and technical protection of health in industry (doctors and safety specialists); this law provides that the enterprise, under certain conditions, must set up medical and safety services.

An ordinance is being drafted to allow women to drive trams, buses and lorries.

The directive published on 23 March 1971 concerning medical examinations for workers exposed to noxious mineral dust is seeking to standardize the examinations and make clinical comparison of the results more easily obtainable.

Research is being made on the relationship between dust exposure and reaction to tuberculins (tuberculosis indicators) as well as changes in the peripheral bloodstream due to work with motor driven saws.

The German congress on work protection, held in November 1971, dealt with many reports regarding safety and medical problems in industry, including training and propaganda.

### *France*

347. In the field of work safety, the technical note of 10 January 1971 listed safety measures which must be put in hand to forestall the risks involved in the use of some types of electric, self-propelled trolleys (caterpillars). The main concern here is the prevention of electrical dangers and slipping, falling and overturning of loads.

To cope with some interpretation and application problems, the technical note of 10 March 1971 explained further the provisions in Sec-

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1961*, Appendix VI.

tion IV of the Decree of 14 November 1962 concerning protection of workers in establishments handling electric current.<sup>1</sup>

The circular letter of 30 June 1971 invited the services of work inspection to allow the use of motorized flying scaffolding, which is apparently more suitable for new building techniques than traditional equipment. The use of this scaffolding is, however, subject to the application of certain safety precautions.

In the field of hygiene and medicine, several activities may be mentioned.

A circular of 26 November 1971 covering the application of the Decree of 12 April 1969 completed, as regards worker protection against the ill effects of noise, the provisions of 10 July 1913 amended, relative to general protective and health measures applicable to all establishments affected.

Following the directive adopted on 27 June 1967 by the Council of the EEC concerning the classification, packing and labelling of dangerous substances, the law of 7 June 1971, modifying the *Code du Travail* (Book II, Heading II, Chapter IV) extended the labelling requirements formerly applied only on toxic and noxious substances, to cover dangerous substances and preparations.

An instruction of 5 April 1971 specified the revised form for the annual activity report to be made by the regional industrial medical inspector.

The law No. 71-996 of 15 December 1971 has prescribed medical checks for domestic servants, care-takers of apartment buildings and people working at home.

The Inter-Ministerial Decree of 9 December 1971 specified the revised form of the employer's yearly report on the set up, running and financial administration of the medical service. The Decree of 10 December 1971 specified the nature of the annual report by the industrial doctor.

The following are also being prepared:

- (a) A draft decree concerning the protection of workers against ionizing radiation in nuclear installations which will bring in stricter procedures than those under the Decree of 15 March 1967 covering the general protection of workers against these particular risks.
- (b) A draft application for the Decree of 12 April 1969 concerning protection of workers against the ill effects of industrial noise.

In the area of accident prevention, several general provisions, adopted by the regional funds have by request of the National Fund for Sickness

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1962*, sec. 263.

Insurance, been enlarged. By the Decree of 9 June 1971, they now apply to the whole country and concern accident prevention in all branches of the cinematographic industry and in radio diffusion and television companies. The Decree of 28 September 1971 covers prevention of the risk of drowning during dredging or excavating operations in rivers and other waters.

The National Sickness Insurance Fund adopted several recommendations, which were or will be communicated to companies by the National Institute of Research and Safety. The recommendations are on the following: exhaust gases from maintenance trucks used in ships or other enclosed areas, handling of dangerous chemicals, amines and ammonium salts, paper pulping machines, belt conveyors, refrigeration installations using ammonia, and heterogeneous electrical circuits.

A Decree of 12 October 1971 provided scope for refunds on that portion of the contribution corresponding to cover against accidents on the way to work if employers take initiative on measures to decrease the frequency and severity of this kind of accident, such as organizing collective transport for personnel, adjustment of work schedules—exit and entry, and checks on individual transport.

During 1971, the rural accident prevention campaigns run by the Central Agricultural Funds were focussed on safe use of agricultural machinery and fire prevention.

At its Nancy headquarters, the National Institute of Research and Safety has run a number of studies in the following areas:

- (a) safety oriented equipment;
- (b) industrial materials;
- (c) chemical products;
- (d) rapid first-aid training.

### *Italy*

348: The Decree of 12 January 1971 includes safety procedures for highway petrol pumps including the set up, equipment and running of the stations plus protection for staff and third parties.

On the basis of Art. 4 of the law of 17 October 1967 concerning protection of young workers,<sup>1</sup> the Decree of 4 January 1971 specifies the light work which youngsters of 14 years may do. This authorization covers nearly all commercial jobs, hotels, banks, etc.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté*, sec. 114.

Several memoranda and instructions from the Ministry of Labour have been concerned with the following: coordination between work inspection and local health authorities within the compass of environmental protection when new industrial plant is installed, the availability of facilities for medical health requirements and regular medical checks for workers.

In the campaign against agricultural accidents, surveys have been made with the aim of obtaining from manufacturers and merchants of agricultural machinery a greater interest in the safety of machines and appliances, in particular for the cabs and safety frames of tractors, and to gain closer insight into the causes behind the growing number and severity of accidents in order to organize adequate prevention.

The National Institute for the Prevention of Accidents (ENPI) has carried on its tests on machines and equipment. The Institute has prepared medical and technical procedures covering silicosis and asbestosis. By a series of meetings and conferences, the ENPI has boosted accident prevention in certain industrial sectors.

Contact between the Institute for the Control of Pressurized Apparatus (ANCC) and its opposite number in other European countries was followed up to draw up agreements on joint recognition of tests and control certificates on pressurized appliances; their components and material utilized.

Environmental protection was the subject of several Decrees: the one of 22 December 1970 concerns pollution of air by heating installations, that of 12 February includes measures on diesel engines and the one of 15 April 1971 provides kindred measures for industrial companies generally.

The Ministerial Decree of 12 February 1971 splits unhygienic enterprises into two classes: those in the first class may not function in populated areas, those in the second may do so provided they satisfy conditions fixed on an individual basis by the qualified authorities.

### *Luxembourg*

349. After the serious fires recently occurring in other Member States, the Grand-ducal Regulation of 21 January 1971 placed under the pre-authorization of the Minister of Justice, the running and use of entertainment premises, conference and meeting rooms, dance halls, exhibition rooms and mobile establishments of a similar type. Before the promulgation of this Regulation only some establishments of this kind such as theatres, cinemas and circuses came under such an authorization. A Grand-ducal Decree of

12 December 1919 on the running of cinemas, of which some requirements were outdated by the progress of cinema techniques, was superseded by a Grand-ducal Regulation of 23 September 1971.

A draft law concerning the uses of benzene is under study. For health protection a draft law concerning the campaign against air pollution is being worked out.

In 1971, the campaign against eye injuries, launched the previous year by the Insurance Association against Accidents and the Labour and Mines Inspection Office, was rounded off by a mobile safety exhibition. The vehicle specially equipped to demonstrate prevention of injuries to the eyes was shown in particular to employees of heavy and medium industry.

Legislative reform on dangerous, unhealthy and uncongenial establishments has been tabled for study.

### *The Netherlands*

350. An amendment to the Decree of 1950 on agricultural safety (*Landbouweiligheidsbesluit*) came in on 4 May 1971 and concerns in particular the braking of agricultural machines and the hitching of machinery or implements to tractors.

An new law on dangerous machines<sup>1</sup> is in preparation, acting on the Benelux agreement for blanket legislation on dangerous machines. Two Decrees will stem from these two new laws: one will cover pressurized appliances and the other will apply to passenger and goods lifts in the building industry.

The law of 25 March 1971 amended the 1934 safety law (*Veiligheidswet*). The amendment provides scope for extending the legal system for setting up medical services in some companies in the industrial sector to all the other sectors. The new law also embodies a new regulation on employees' medical checks.

The Socio-Economic Council (*Sociaal-Economische Raad*) was requested for a completely fresh opinion on the "Labour Decree" (*Arbeidsbesluit*) quoting the jobs forbidden to youngsters because of danger to life or health.

<sup>1</sup> *Exposé sur l'évolution de la situation sociale dans la Communauté en 1970*, sec. 282.

## CHAPTER XI

### HEALTH PROTECTION

*The awareness on the part of the Member States of the problems involved in safeguarding the health and environment of mankind has further intensified over the period covered by this report.*

*The first communiqué from the Commission concerning Community policy on environment can be appreciated against this background of concern. This fundamental document, which puts forward concepts and lines of action, was made public and transmitted for their information to the various Community institutions. The Member States were also invited to submit their comments and proposals together with ideas from both sides of industry and other organizations concerned in environmental problems. The Commission also declared its intention of initiating an action programme concerning the environment in the paper on "Preliminary Guidelines for a Community Social Policy Programme" dated 17 March 1971.*

*Generally speaking, the protection and improvement of the environment, namely all the factors affecting the quality of life, are on a par with the rise in the quantitative standard of living, equally vital objectives of the Community's Social and Economic Policy.*

*Bearing in mind the implementation of this policy, a methodological approach on the plane of public health and environmental hygiene was adopted to ensure a closer coordination in Europe for working out legislative and administrative measures on the national scale.*

*This study took its inspiration from documentation provided by the Member States of the EC, from some countries well versed in this field, from publications of the World Health Organization and from the International Commission on Radiological Protection. The study takes account of the objectives of general policy on environment and considers the particular ecological and economic conditions of the Community.*

*The intended methodology amplifies and specifies the priorities for action to protect mankind and the environment with the following aims in view:*

- (a) Diminution of pollution levels in air and water.*
- (b) Reduction of ill effects and nuisance caused by the use of certain commercialized products and by the materials thrown off by industrial manufacture.*
- (c) Development and preservation of the natural environment.*

*To attain these basic objectives, it is proposed to harmonize on a Community scale the attitudes and concepts of the health authorities regarding these problems. This mainly involves:*

- (a) The working out of common norms on health, including quality standards for air and water.*
- (b) The implementation of practical techniques required to ensure the respect of these norms.*
- (c) The definition and execution of appropriate nature surveys and the effect of pollutants on mankind and the environment.*

*Experience gained by the Commission concerning radiation protection, the activation of a common policy against the dangers of radio-activity and a programme of scientific studies and research in radio-biology and radiation protection are three positive elements to be considered when the Commission and the Community are faced with new responsibilities for protecting the environment.*

*The dialogue established over 13 years between the Commission and the qualified authorities of the Six, through the laws and obligations of the Euratom Treaty, has proved very helpful in promoting jointly organized protection against a new and alarming danger from industrial development.*

*Everyone will recognize the value and efficacy of a system which marries preventive standards and surveillance, achieves harmonization of national control devices, maximizes the exchange of technical and scientific data at the Community level and which allows, through closely collaborative research, norms for radiation protection to be evolved as a result of scientific knowledge. Furthermore, while still pursuing its special mission, health protection against the dangers of radio-activity was able to develop and still, when necessary, allow for the aims of industrial promotion and the demands of the economy. This relatively favourable situation in a limited sector of the industrial activity must serve as an example mutatis mutandis for tackling at Community level the problems posed today by non-radioactive nuisances. This is the spirit in which some initiative was taken during the past financial year against pollutants much in the news today such as lead. Results already obtained have shown how a concerted attack by the Community on behalf of health was not only indispensable but deeply desired by national experts who will hasten to advise the competent authorities in their own countries.*

*The difficulties involved in evaluating the effects of certain pollutants in the environment today, on the health of mankind, are manifold and real ones and must inevitably lead to broadening the discussions on methods and interpretation of results and measurements and the eventual determination of reference standards, onto a multinational scale.*

*During the meetings of the health experts concerning lead pollution and during conferences on radioecology, the impression was formed that radiation protection was capable through its methodological concepts and approach of guiding the organization of the joint campaign against other pollutions of the environment.*

*Through its international experience and its technical and scientific potential, the Commission is in a strong position to prepare point action for protecting the environment.*

## HEALTH PROBLEMS ARISING THROUGH LEAD AND MERCURY

351. As regards air pollution, special attention is being paid today to the problems arising from the presence of lead in the environment.

There are various sources of lead pollution in the environment. The contamination of food and water, already long known, has been supplemented for several years by atmospheric pollution due to the exhaust gases of motor vehicles using petrols containing lead-based additives.

On 8 August 1971 in the Federal Republic of Germany, a law came into force directed at reducing atmospheric pollution from lead compounds in four-stroke engine fuels. (*Benzinbleigesetz*—Law on the lead content of petrol). The law particularly prescribes that from 1 January 1972 fuels for four-stroke engines containing more than 0.40 grammes of lead per litre, may no longer be manufactured, imported or in any way brought into the country. From 1 January 1976, the lead content must not exceed 0.15 grammes per litre.

Owing to technical obstacles which might arise at Community level, the Commission felt obliged to study the economic, technological and industrial implications of the draft law, also taking into account the health aspects. On the initiative of the Commission, public health experts and toxicologists from the six nations met twice in 1971 to discuss the subject. Their conclusions are summarized thus:

- (a) Stabilization of lead content in petrol at about 0.40 to 0.45 g/l seems a reasonable measure which is not likely to involve new or little-known risks from the health standpoint.
- (b) Reduction below the level of 0.40 g/l is being currently studied as regards its special consequences from the public health standpoint, for this reduction is liable to alter the make-up of exhaust gas. The complexity of the study was soon acknowledged not only from the technical aspect but also concerning the reliability and comparability of measurements made in various countries and laboratories.

The Commission also called in two other expert groups. The first was to study harmonization of sampling and measurement techniques for atmospheric lead. The second was to examine the lead content in biological samples and to determine the best biochemical methods to show up the subclinical effects of lead. The Commission also set up a programme of studies on the physical and chemical properties of lead emanating from

automobile fuels into both the exhaust gas and the atmosphere. This research is necessary for a more precise evaluation of the toxicological nature and effects on health of lead from exhaust gases.

352. As regards water pollution, particular attention is being paid to problems arising from micropollutants, of which mercury is a leading performer on a national and international scale. Since Member States are acutely conscious of the seriousness of this problem, where knowledge is still very patchy, the Commission proposes to study from the health angle the presence of mercury compounds in surface water.

To promote closer mutual understanding, a Community terminology for the campaign against nuisances is mandatory and the Commission is making a special effort to standardize this terminology at Community level.

Moreover, a vocabulary for environmental affairs has been compiled by the International Council of the French Language. Services of the Commission will study the possibility of using it in the other Community languages.

#### BASIC PROCEDURES IN THE CAMPAIGN AGAINST AIR AND WATER POLLUTION

353. The campaign against atmospheric pollution poses problems which demand special attention, the more so in that they are growing in importance every day. Thus, recent years have seen the modernization of existing legislation on a national scale as well as the passing of new laws to meet the needs of highly industrialized countries. The revision of the most important regulations as indicated here shows that unquestionably efforts have been made to overcome atmospheric pollution, but that much remains to be done before the situation can be said to be satisfactory.

In Belgium, the law of 28 December 1964 concerning the campaign against atmospheric pollution empowers the public authorities to take all appropriate measures. Based on this skeleton law, a Royal Decree was promulgated on 26 July 1971 relative to the creation of zones specially protected against pollution. In the terms of the Decree, the zones listed in the text were specially set up on the basis of an annual average quantity of more than 150 micrograms of sulphur per cubic meter.

In Germany, should be mentioned the provisions of paras. 16 and onwards of the Code of Industrial Legislation (*Gewerbeordnung*) for the large fixed installations and the technical directive on air pollution (*Technische Anleitung zur Reinhaltung der Luft*) adopted in 1964 and further-

more the law on measures against air pollution of 17 May 1965 (*Gesetz über Vorsorgemaßnahmen zur Luftreinhaltung*). At the end of 1971, the Federal Government presented to the Bundestag a draft law on noxious discharges (nuisances) (*Bundesimmissionschutzgesetz*). The special object of the draft, in the anti-pollution sectors considered, is to set down the legal bases for meeting today's requirements.

In France, a skeleton law was promulgated on 2 August 1961 concerning air pollution and odours, which amended the law of 19 December 1917 involving dangerous, unhealthy or uncongenial establishments. In the application of this law a Decree was passed on 17 September 1963 providing through inter-ministerial orders the creation and definition of "specially protected zones" when pollution levels demand such measures. In this way, the specially protected zones in Paris were marked out in 1964.

The limitation on the output rate of exhaust gases from automotive vehicles was the subject of Decrees on 12 November 1963, 28 July 1964 and 31 March 1969.

In Italy, the law No. 615 of 13 July 1966 forms the main basis for protecting the atmosphere against pollution. It determines three sources: heating, industrial activity and exhaust gas from automotive vehicles. In the application of this law, two executive orders were issued concerning protection against emissions from heating systems. They were, namely: Presidential Decree (DPR) No. 1288 of 24 October 1967 and No. 1391 of 22 December 1970.

As regards atmospheric pollution caused by industry, DPR No. 322 of 15 April 1971 fixes the allowable limits of emission of noxious substances, by defining the maximum permissible concentrations and the average concentrations. The DPR No. 323 of 12 February 1971 fixes the opacity limit of exhaust gases from diesel-engine vehicles.

The Ministerial Decree (MD) No. 64 of 12 February 1971 established a new listing of unhygienic industries, splitting them into two groups and distinguishing between those whose activity is prohibited in urban centres and those whose activity is subject to certain measures fixed on a case by case basis by the competent authorities.

In Luxembourg, a skeleton law on air pollution is being formulated by the Higher Health Council.

The provisions currently applying here are based on the Grand-ducal Decree of 1872 and on the Law of 27 June 1906. Similarly, the law of 27 June 1906 concerning the protection of public health allows the muni-

cipalities to adopt certain measures against atmospheric pollution. The Grand-ducal Decree of 23 November 1955 concerning road traffic prohibits the emission of smoke and fumes detrimental to traffic safety and an inconvenience to other road users.

In the Netherlands, the law of 27 November 1970 on air pollution (*Wet inzake de luchtverontreiniging*) was formulated because the law concerning inconvenience (*Hinderwet* of 15 May 1952) applies only to risk, injury or inconvenience from institutions. The law concerning air pollution facilitates the campaign against all types of atmospheric pollution: motor traffic, heating of premises, industry, etc. For industries which do not in any way contribute to air pollution, the law on inconvenience (*Hinderwet*) still applies. The law on air pollution is already in force. Some indispensable executive decrees are in an advanced stage of preparation. The execution of the law is financed by special taxes raised from those responsible for pollution.

354. The legal provisions and juridical means in existence today in the Member States for combating water pollution show that the problem of water protection has perhaps not always received the attention it deserves. The seriousness of the situation and its juridical implications, however, demand that the problem be tackled directly and comprehensively so that solutions may be found which meet public health requirements and so that decisions may be made to safeguard the interests of everyone. Thus scrutiny of the miscellaneous legislation in force for water protection shows up the need to coordinate and complete the current national juridical systems in order to work out adequate regulations for effective intervention on the national or international scale in the campaign against water pollution.

Legislation in Belgium against water pollution hinges on the law of 11 March 1950 concerning water protection. The Royal Decree of 29 December 1953 which fixes the general conditions covering discharges into public water of waste water excepting that from municipal drainage was published in application of this law. Moreover, the Royal Decree of 6 May 1966 supplementing the Royal Decree of 24 April 1965 defines drinkable water and non-drinkable water and fixes the responsibility of water distribution companies in relation to the application of legislation on foodstuffs.

This law of 11 March 1950 for protection of surface water was meanwhile replaced by a new law. Moreover, a law for the protection of underground water was brought in. Both these laws date from 26 March 1971. The first one sets up an organization for each of the three fluvial basins, organizations responsible instead of the municipalities for the purification of waste water, and general supervision of the quality of surface water.

In their function, these organizations will grant authorizations for discharge of waste water into public water surfaces and will ensure a close check on the discharge of all waste water.

The second law decrees the conditions for catchment areas and protected zones of underground water.

In Germany, the most important provisions for protection of surface and underground water are embodied in the Federal Law on the use and protection of water (*Wasserhaushaltsgesetz*) of 27 July 1957, last amended on 23 June 1970. Generally speaking, this law submits water utilization to a system where authorization is withheld if the use of the water might impair the well-being or water supply of the public. In the public interest, this law also provides for the creation of protected areas of water and prescribes the conditions for discharge of products in underground water. In conformity with this skeleton law which allows some variations, the eleven Länder of the Federal Republic have meanwhile published or improved their own regulations.

As regards France, mention must be made of the skeleton law of 16 December 1964 concerning the water system and water distribution and anti-pollution measures. The law is the first overall approach to the problem of water pollution and to a systematic policy of prevention since the earlier provisions supplemented by this law offered only limited scope; namely: the law of 17 September 1917 covering classified establishments, which was amended by the laws of 20 April 1932 and 21 November 1942. The law of 16 December 1964 requires, within two years after its promulgation, the definitive compilation of an inventory of water stocks and their pollution level, a pre-requisite for getting action under way for water regeneration. Moreover, the law requires that all withdrawals and discharges be subject to a system of approval.

In Italy, provisions currently in force against water pollution are embodied in various laws applying to different fields and aimed at different targets as well as in some provisions of the Penal Code. For public health and hygiene, the standardized text of the sanitation laws of 27 July 1934 (amended by law No. 422 of 1 May 1941 and by law No. 1528 of November 1942) establishes the provisions covering protection of surface and underground water.

To this end, industries are classed in two categories according to the pollution level of water discharged while observing the relevant local by-laws and regulations. As regards discharge, the main measure for maintaining cleanliness of water is determined by Art. 9 of the standardized text of the fishery laws No. 1604 of 8 October 1931 which makes the discharge

of industrial waste water subject to the approval of provincial authorities. The authorities may intervene each time an amendment to the conditions for approval is deemed necessary to observe the provisions covering water protection.

In Luxembourg the campaign against water pollution is mainly embodied in the law of 16 May 1929 concerning the treatment, maintenance and improvement of water courses and in the Decree of 9 September 1929 concerning the purification of residual water from industry and water piped out of municipal built-up areas before they are discharged into water courses. The most recent provision dates from 13 November 1970 and covers the Grand-ducal Regulation on water for direct or indirect human consumption. This regulation determines the quality standards including maximum allowable concentrations of certain toxic substances (in mg/l) to be met by the water supplied from public distribution systems and intended for drinking water and processed beverages in bottles or other containers.

In the Netherlands on 1 December 1970, the law on pollution of surface water (13 November 1969) came into force (*Wet verontreiniging oppervlaktewater*). The crux of this law is the prohibition of the unauthorized discharge of residual water and noxious or pollutant matter into surface water. Those who are authorized to do so must pay a tax in proportion to the pollution strength of the matter discharged. Furthermore, authorizations may also be granted with certain prescriptions concerning the location and contents of the discharge. The basic idea is: "He who pollutes, pays."

In addition, an executive Decree on "Pollution of Public Water" of 5 November 1970 came into force on 1 December 1970 to implement the law on pollution of surface water. This Decree specifies the relevant authorizations, taxes and authorities.

355. As regards the campaign against noise, the Member States have taken some initiative to settle this matter. But it must be admitted that the same attention has not been paid to this feature of environmental nuisance as in the cases of air and water pollution.

## THE IMPORTANCE OF RADIOECOLOGY

356. Against the background of activity anticipated in Chapter III of the Euratom Treaty on protection against ionizing radiation, the Commission organized from 7-10 September 1971 in Rome in collaboration with the

*Comitato nazionale per l'energia nucleare*, a symposium on "Radioecology applied to the protection of mankind and his environment."

The aim of the symposium was to examine to what extent recent studies and data could be used towards protecting mankind and his environment in order to increase the efficacy and improve the organization of radiation protection and its control around nuclear installations.

The symposium was also to study in what way the principles and methods of radioecology may be applied in the campaign against non-radioactive nuisances.

About 350 people from 25 European and non-European countries as well as some ten international organizations and representatives from both sides of industry attended this conference.

The conclusions reached and the desires expressed by those who shared in this highly significant scientific event can be summarized as follows:

- (a) Results obtained within the Community on radiation protection justify extending to non-radioactive nuisances the principles and methods, whose application allowed the implementation of a common policy on the risks of radioactivity.
- (b) Recommendations serving as a basis for national regulations will have to be worked out at Community level, founded on available recognized international criteria.
- (c) The Community would have to coordinate the network of measuring stations for non-radioactive pollution and prepare recommendations ensuring notification of prospective discharges and the prior consultation with the Commission on the contamination dangers which might involve neighbouring States.
- (d) The Community would also have to organize, for the benefit of research workers and health authorities, a documentation and information service extended where necessary to keeping the public informed.

The conference concluded with an urgent appeal to those politically responsible to consider the urgency and size of the problem and to put in hand against non-radioactive nuisances the solutions which yielded excellent results in radiological protection and which allowed the relevant national authorities to take effective legal action, thus boosting industrial and economic growth without spawning unsurmountable difficulties for public health and the protection of the environment.

## PREVENTING RADIOACTIVE CONTAMINATION OF THE ENVIRONMENT

357. Art. 37 of the Euratom Treaty obliges the Member States to furnish the Commission with technical data on any plans for discharges or radioactive effluents, thus allowing decision as to whether the discharge could contaminate the territory of another Member State. The Commission will express an opinion on the case after consulting a group of independent experts.

For any plans submitted by a Member State, the conditions and circumstances of the intended discharge will be therefore examined insofar as the discharge might be likely to contaminate the territory of another Member State to the extent of causing a risk to health. In practice, apart from the routine discharges by certain installations located near frontiers or international waterways or those of nuclear powered ships, there are only discharges resulting from accidents which would involve this risk. Therefore, during examination of the case attention will be focussed mainly on the consequences of possible accidents.

Up to now the Member States have submitted a total of 64 miscellaneous plans from sources ranging from radiochemistry laboratories to every type of nuclear power station or reprocessing plant for irradiated fuels. Sixty-three of these plans were examined and the Commission was able to express an opinion on 62 of them. It should be noted that two of the plans submitted, and on which the Commission expressed an opinion a long time ago, have not yet been put in hand. Table 2 summarizes the plans dealt with under Art. 37.

The opinions expressed by the Commission are usually accompanied by suggestions or even recommendations, addressed to the State authorities transmitting the plans, aimed at either curtailing the plans or minimizing the repercussions on the territories of other Member States by means of adequate communication with the corresponding authorities of those States as well as by coordinating checks and controls. The opinion of the Commission is forwarded to all the neighbouring Member States involved.

A lesson may be learnt from the application of Art. 37. The examination procedure imposed by the Treaty which calls in not only radiation protection and radiological safety experts but also specialists in meteorology, hydrology and technology, indisputably afforded better understanding of the problems and to some extent harmonized the concepts on health protection of the various competent authorities. For this reason, Art. 37 can be considered as a model which applied to other nuisances would stimulate internationally the fight against them, in particular air and water pollution.

TABLE 2

Type of Installation	Member States Submitting Plans					Total of		
	Germany	Belgium	France	Italy	Netherlands	Plans submitted	Installations examined	Opinions expressed
Nuclear power stations Net electrical power in MWe	4a) 1 372	—	6b) 1 581	3 622	1 51.5	14 3 626.2	13	12
Pilot-Experimental Stations Net electrical power in MWe	4c) 105	1c) 10.5	—	—	—	7 115.5	5	7
Trial Reactors (MTR)	4	1	—	—	—	5	5	5
Research Reactors	7	—	—	—	—	7	7	7
Nuclear Powered Ships	1	—	—	—	—	1	1	1
Re-processing Plants	1	1d)	—	1	—	7	3	5
Manufacture of fuels	2	2c)	—	—	—	5	4	5
Discharges into the sea	—	—	1	—	2	3	e)	3
Misc. (Decontamination stations, laboratories, etc.)	11	3	1	—	—	15	e)	e)
Net electrical power in MWe	1 477	10.5	1 581	622	51.5	3 741.7	/	/
Number of plans submitted,	35	14	8	4	3	64	/	/
Number of opinions, given, up to 31 Dec. 1971	22	12	6	4	3	/	/	47

- \* ) One opinion may cover several different plans or installations  
a) Including one plan under examination.  
b) Including one plan to be re-examined after completion of data.  
c) Including one plan submitted a second time after amendment.  
d) Installation involved in 5 different plans.  
e) Negligible.

## DEVELOPMENTS IN REGULATIONS FOR RADIATION PROTECTION

358. The directives fixing the basic Euratom norms adopted by the Council of Ministers in 1959 and partially revised in 1962 and 1966 constitute the starting point for legislation on the health protection against ionizing radiation within the Member States of the EC.

Whilst the principles of radiation protection laid down in these directives have been taken up over some years in the basic corresponding national legislation, the legislative function is confined henceforth to implementing the principles of radiation protection with activating laws still lacking or to adapting these principles to latest revision of the basic norms.

During the period under review legislative and administrative provisions have been adopted in the Member States as under:

In Belgium, the Royal Decree of 28 February 1963 bearing on the general regulations for protecting people and employees against the danger of ionizing radiation was amended by the Royal Decree of 23 November 1970 and adapted at the same time to the revised text of the Basic Norms of 1966. Complying with Art. 33 of the Euratom Treaty, the Commission on 13 February 1968 expressed an opinion on the draft of this Decree.

In Germany, the Decree of 24 March 1971 relative to the expenditure involved in the application of the atomic law, passed in conformity with the law on atomic energy, contains special provisions concerning levies to be raised on the granting of authorizations anticipated by the law concerned.

In addition, the Decree on the system of authorizations for medicaments treated with ionizing radiation or containing radioactive substances, in its version of 8 August 1967, was remodelled by a new Decree of 10 May 1971 which added some radionuclides to the list of medicaments which doctors in private practice are authorized to use.

In Italy, the Executive Decree of 15 December 1970 for the law No. 1008 of 19 December 1959 deals with the system for declaration and prior authorization for radioactive substances. Complying with Art. 33 of the Euratom Treaty, the Commission expressed on 16 November 1970 an opinion on the relevant draft.

The Decree No. 1450 of 30 December 1970 stipulated the provisions covering the technical authorization of nuclear power stations and lastly the Ministerial Decree of 2 February 1971, which only came into force

ninety days later, specified the maximum allowable dosage and concentration as well as the relative biological effects on the general population and for certain groups with a view to protecting them from the dangers of ionizing radiation. On this Decree, passed in application of Article III of Decree No. 185, the Commission had also expressed its opinion in compliance with Art. 33 of the Euratom Treaty.

The Netherlands have amended by two Decrees of 17 June 1971 the Decree concerning appliances of 10 September 1969 and the Decree covering radioactive substances also of 10 September 1969. Both of them were Executive Decrees on the law governing nuclear energy.

Since the principles of the Basic Euratom Norms have been applied in the legislation of Member States over twelve years, the Commission thought it timely to draw up a balance sheet of current legislation on these matters. A recent publication by the Commission, to be put at the disposal of interested parties, outlines the current situation in the application of radiation protection Norms to national legislation.

## THE EVOLUTION OF AMBIENT RADIOACTIVITY

359. Since the annual reports published by the Commission concern on the one hand the results of measuring the ambient radioactivity in air, fall-out and water, and on the other the radioactive contamination of foodstuffs, these reports allow us to follow changes in the levels of radioactive contamination in the biosphere over the Community. The reports make use of data gathered from the stations responsible for watching the ambient radioactivity in the Member States. Currently, this contamination arises almost entirely from the isolated tests of nuclear weapons, but has little or no significance for health.

The Commission also publishes a quarterly bulletin "Ambient radioactivity in the Community countries" where one can follow more quickly changes in the radioactivity of the atmosphere, of fall-out, of water surfaces and of milk in the Member States of the EEC. Furthermore, the bulletins provide results of radiological checks on the environment made by some nuclear installations.

The annual reports and the quarterly bulletins are sent to all organizations involved in the Member States as well as several international organizations anxious over public health problems.

In keeping the ambient radioactivity under overall surveillance, the Member States in 1971 slightly curtailed the network of measuring stations.

The Community network includes:

- (a) About 119 stations for measuring global Beta activity in the atmosphere.
- (b) About 66 stations for measuring global Beta activity in fall-out.
- (c) The surveillance of global Beta activity in water (drinking water, surface water, sea water, etc.) includes a multitude of measurements and sampling.

Furthermore, some stations measuring the global Beta activity in the air and in fall-out also make specific measurements of many artificial radionuclides. Amongst the radionuclides most often measured are: Beryllium 7, Manganese 54, Zirconium 95 + Niobium 95, Ruthenium 103, Ruthenium 106 + Rhodium 106, Barium 140 + Lanthanum 140, Cerium 144.

Similarly, to obtain more precise information on the evolution of Beta activity due to artificial radio-elements, the global Beta activity is measured and the amount contributed by Potassium 40, a natural radio-element found in water, is evaluated. In some samples taken, some artificial radionuclides are also measured.

Surveillance of contamination of various foodstuffs is ensured in the Community countries by regular and frequent sampling of staple foods. Priority is given to measuring Strontium 90 followed by Caesium 137. The proportion involved in milk consumption is the dominant factor and for this reason the closest checks are made on this food which also serves as a reliable indicator of any changes in man's radioactive intake.

#### RADIOACTIVE CONTAMINATION OF THE ATMOSPHERE AND FALL-OUT IN 1970 AND 1971

360. Results available at the moment for 1971 show that radioactive contamination of the atmosphere (global Beta activity) in the Community is on the increase compared to 1970. In 1970, the global Beta radioactivity suspended in the air was an average of 0.20 pCi/M<sup>3</sup> with a peak of 0.47 pCi/M<sup>3</sup> in June.

It must be mentioned, however, that the present atmospheric concentrations of Strontium 90 and Caesium 137 correspond to less than 1% of the maximum allowable concentrations for the population according to the Basic Euratom Norms.

The global Beta activity on the ground (fall-out) was 42 mCi/KM<sup>2</sup> in 1970 (against 38 mCi/KM<sup>2</sup> in 1969). The data currently available for 1971 anticipate an increase in activity on the ground. In 1970 for the third consecutive year since 1968 fall-out of Strontium 90 and Caesium 137 was slightly up on the previous very low levels. From data received up to now by the services of the Commission, it would appear that 1971 will also see an increase in fall-out of Strontium 90 and Caesium 137.

## RADIOACTIVE CONTAMINATION OF MILK IN 1970 AND 1971

361. The average for 1969 of pCi<sup>90</sup>/Sr/gCa in milk was 8.6 pCi<sup>90</sup>Sr/gCa, which represents a decrease of about 5% compared to 1968. From data currently available, the average value for 1970 may be estimated at under 8 pCi<sup>90</sup>Sr/gCa. For 1971 records to hand are still too patchy to make even a preliminary estimate.

The annual average in 1969 of the contamination of milk by Caesium 137 was about 20.8 pCi/l. According to data currently available, the average value for 1970 is lower still. From now on the concentration of Caesium 137 in milk is very close to the limits of detection by standard measurements.

For 1969, according to calculations made for all foods absorbed, it is estimated that the average doses absorbed by bone tissue was 9.7 mrem/year for mineralized structure and 2.0 mrem/year for that portion of the marrow present in the trabecula newly formed during the year. This represents about a third of the doses absorbed in 1963.

## TECHNICAL HARMONIZATION AND RESEARCH IN RADIATION PROTECTION

362. Against the background of the physical checks to protect labour against radiation, an essential feature of the Basic Euratom Norms, the focus is on individual dosimetry, its precision and indicative value all the more that the number of people working in the different nuclear sectors is always growing. This is why, in collaboration with the qualified laboratories and institutes of all the Community countries, the Commission has carried out a programme of long-term comparison concerning personal dosimetry to continually improve harmonization of techniques and measuring apparatus. During the period under review, dosimeters were irradiated in four institutes under well-defined conditions. The results were then compared and inter-

puted by the institutes against the values of standard measurements. As against comparisons drawn earlier, trial conditions this time were much stricter and more closely adapted to conditions prevailing in practice. On the basis of results obtained, it may be claimed that the field of dispersion and the margin of error were considerably reduced. All the same, it was also noted that the exactitude of the dosimetry is not yet completely satisfactory when several types of rays are present at the same time; for instance, in nuclear power stations or after accidents or disasters.

To obtain a qualitative improvement in the dosimetry of neutrons, the neutron sources used by national institutes for calibrating neutron dosimeters were examined to measure the output and the spectrum. Making these comparisons was found to be indispensable, for the knowledge of spectra and sources for calibrating purposes is still far from certain.

The programme of inter-comparison concerning personal dosimetry, carried out by the national institutes and the Commission, was found to be the most suitable practical approach to detecting weaknesses in measuring techniques and sources of possible errors, as well as for improving the precision of these techniques. These institutes which have an all-important role to play in personal dosimetry in the Community countries, are also capable of extending on the national scale the application of results obtained at Community level.

363. The research programme is aimed at finalizing new methods in the field of personal dosimetry. Within this programme, five research institutes in Germany, France and Italy are perfecting new techniques for improving dosimetry and rigorously testing current techniques to determine more closely their field of application and precision. This applies particularly to neutron dosimetry where, in the range of intermediate energy so important for radiation protection in nuclear power stations, there is still no personal dosimeter in practical use.

Research begun in 1967 on the physical, chemical and biological changes in foodstuffs after irradiation with a view to their preservation was carried on under the aegis of the Commission with five specialized institutes. Results obtained over previous years could be confirmed and completed.

Three reports on research were published in 1971.

In collaboration with the Federal Health Office in Berlin, the Commission in previous years carried out an inter-comparison programme in the Community countries between radiation measuring installations where workers may undergo tests after inhalation or ingestion of radioactive pollutants.

The final report on this study, recently published, shows primarily that the measuring instruments as well as their operation are largely adequate. Where, after an initial survey, certain shortcomings were noticed, additional analysis found the answer.

A second measurement programme in 24 installations confirmed that the means available for making these measurements, meet the requirements.

## RESEARCH ON LEVELS OF ENVIRONMENTAL CONTAMINATION

364. The contract of Association EUR CEA concluded in 1969 is directed towards promoting studies and research which will determine the levels of radioactive contamination of the alimentary chain and the environment.

During 1971, the Association EUR CEA pursued its efforts within the compass of its programme. The most noteworthy progress was made in the following areas:

- (a) In human biology, the study on absorption and retention of Strontium 90 in the bone structure of young children is almost complete. Interpretation of initial results led to conclusions now being published. On this basis, a retention model is being studied.
- (b) In radioecology, the experimental study on transfer parameters of atmospheric pollution was directed towards diffusion and precipitation applicable to iodine. A model for transference of atmospheric pollution through moisture was also perfected. The evaluation of soil-plant transference was completed concerning Strontium and Caesium. Concerning pollution transfer to man through water, study of the various physico-chemical forms of Ruthenium and Cobalt can be considered complete. Research on pollution of Continental water expanses by zinc and chrome is in hand.

Study of non-radioactive pollution linked to nuclear energy, bearing on transference from heavy metals in the presence of complex forms in trophic marine chains is going forward. Partial results are pending publication.

Lastly, the results of the last ten years' work by the Association have been collated into one edition to be published shortly.

## C — Statistical Appendix

Appendix 1 — A — Population, employment, unemployment

B — Employment in the ECSC industries

Appendix 2 — Duration of work (working hours)

Appendix 3 — Wages

Appendix 4 — Housing

Appendix 5 — Social Security

Appendix 6 — Industrial Accidents, Injuries

## APPENDIX 1

### A — Population, employment, unemployment

- Table 1 — Community population by sex
- Table 2 — Labour force, employment and unemployment
- Table 3 — Unemployed persons registered with labour exchanges in the Community, monthly returns
- Table 4 — Employed wage earners by sector and branches of activity

### B — Employment in the ECSC industries

- Table 5 — Personnel registered in the ECSC industries
- Table 6 — Annual employment variations in the ECSC industries
- Table 7 — Personnel registered in the coalfields
- Table 8 — Personnel registered in iron ore mining
- Table 9 — Personnel registered in the iron and steel industry
- Table 10 — Breakdown by nationality of persons registered in the ECSC
- Table 11 — Breakdown by age groups of workers in the coalfields

Table 1 — Community population by sex

(in thousands)

Annual Average	Germany	France	Italy <sup>1</sup>	Netherlands	Belgium	Luxembourg	Community
Men							
1950	23 216	20 107	.	5 041	.	.	.
1955	24 425	20 971	24 668	5 354	4 358	.	.
1960	25 974	22 163	25 077	5 717	4 488	.	.
1965	28 033	23 737	26 301	6 133	4 645	162.7	89 012
1966	28 368	23 938	26 479	6 220	4 674	163.7	89 843
1967	28 413	24 127	26 651	6 288	4 698	164.8	90 342
1968	28 558	24 314	26 728	6 344	4 720	164.6	90 829
1969	28 965	24 535	26 861	6 424	4 724	166.0	91 675
1970	29 435	24 798	[27 050]	6 508	4 738	[166.7]	[92 696]
Women							
1950	26 773	21 723	.	5 073	.	.	.
1955	27 957	22 457	24 311	5 397	4 510	.	.
1960	29 459	23 521	25 121	5 769	4 665	.	.
1965	30 979	25 021	26 386	6 161	4 818	168.3	93 533
1966	31 270	25 226	26 650	6 236	4 853	169.7	94 405
1967	31 460	25 421	26 841	6 309	4 883	170.2	95 084
1968	31 626	25 600	27 070	6 380	4 899	171.2	95 746
1969	31 883	25 780	27 261	6 454	4 922	171.8	.
1970	32 124	25 978	[27 454]	6 531	4 938	[172.5]	[97 197]
Total							
1950	49 989	41 830	.	10 114	8 639	295.6	(158 000)
1955	52 382	43 428	48 979	10 751	8 868	304.8	164 713
1960	55 433	45 684	50 198	11 486	9 153	313.9	172 268
1965	59 012	48 758	52 687	12 294	9 463	331.0	182 545
1966	59 638	49 164	53 129	12 456	9 527	333.4	184 247
1967	59 873	49 548	53 492	12 597	9 581	335.0	185 426
1968	60 184	49 914	53 798	12 724	9 619	335.8	186 575
1969	60 848	50 315	54 122	12 878	9 646	337.8	188 147
1970	61 559	50 776	54 504	13 039	9 676	339.2	189 893

<sup>1</sup> Resident population.

Source: National ratings.

Table 2 — Labour force, employment and unemployment

(in thousands)

Country		Average			1971 Estimate
		1968	1969	1970	
Belgium	Civilian labour force	3 714	3 760	3 823	
	Civilian employment	3 604	3 672	3 747	
	of which: wage earners	2 812	2 884	2 972	
	unemployed	110	88	76	
	Unemployment rate <sup>1</sup>	3.0	2.3	2.0	
Germany	Civilian labour force	26 188	26 516	26 854	26 890
	Civilian employment	25 865	26 337	26 705	26 705
	of which: wage earners	20 853	21 435	21 934	
	unemployed	323	179	149	185
	Unemployment rate <sup>1</sup>	1.2	0.7	0.6	0.7
France	Civilian labour force	20 224	20 494	20 829	21 067
	Civilian employment	19 793	20 154	20 473	20 617
	of which: wage earners	15 040	15 501	15 933	16 092
	unemployed	431	340	356	451
	Unemployment rate <sup>1</sup>	2.1	1.7	1.7	2.1
Italy	Civilian labour force	19 568	19 336	19 389	19 316
	Civilian employment	18 874	18 673	18 774	18 703
	of which: wage earners	12 371	12 554	12 827	12 959
	unemployed	694	663	615	613
	Unemployment rate <sup>1</sup>	3.5	3.4	3.2	3.2
Luxembourg	Civilian labour force	138.8	140.4	143.9	147.4
	Civilian employment	138.8	140.4	143.9	147.4
	of which: wage earners	103.5	105.7	110.0	114.2
	unemployed	0	0	0	0
	Unemployment rate <sup>1</sup>	—	—	—	—
Netherlands	Civilian labour force	4 493	4 543	4 594	4 632
	Civilian employment	4 409	4 477	4 539	4 564
	of which: wage earners	3 619	3 702	3 774	
	unemployed	84	66	56	68
	Unemployment rate <sup>1</sup>	1.9	1.5	1.2	1.5
Community	Civilian labour force	74 326	74 789	75 632	
	Civilian employment	72 684	73 453	74 380	
	of which: wage earners	54 799	56 182	57 550	
	unemployed	1 642	1 336	1 252	
	Unemployment rate <sup>1</sup>	2.2	1.8	1.7	

<sup>1</sup> The unemployment rate shows the percentage of unemployed in relation to the active population.

Source: Estimates from national statistical services.

Table 3 — Unemployed persons registered with labour exchanges in the Community, monthly returns

Year/Month	Belgium	Germany	France	Italy	Luxembourg	Netherlands
1969 January	126 592	368 585	271 855	1 094 322	45	90 820
February	121 445	374 124	263 925	1 061 744	49	88 906
March	110 564	243 212	246 185	983 406	35	76 078
April	103 819	155 181	226 948	872 725	23	62 433
May	97 123	122 967	210 080	824 771	20	54 863
June	90 248	110 744	192 999	810 990	31	51 591
July	98 930	108 018	189 518	794 543	77	57 373
August	97 228	103 753	192 652	775 134	25	55 875
September	98 426	100 477	203 968	820 167	44	54 765
October	94 544	107 770	218 363	845 962	50	56 218
November	93 768	118 849	226 385	856 596	36	62 189
December	95 804	192 174	232 169	906 422	28	78 627
Yearly average	102 372	178 579	222 921	887 231	38	65 811
Average for 1st 10 months	103 892	179 483	221 653	888 376	40	64 892
1970 January	90 244	286 266	252 456	982 520	63	81 811
February	89 840	264 080	255 918	947 427	50	76 332
March	86 722	197 784	249 566	904 739	35	62 445
April	84 673	120 550	244 432	826 379	25	52 250
May	80 994	103 407	233 938	801 732	20	46 559
June	76 191	94 767	226 932	791 449	27	43 889
July	79 829	98 562	230 723	801 577	36	45 943
August	77 770	99 460	242 760	800 249	42	44 434
September	77 934	97 338	269 800	872 304	71	45 911
October	79 863	110 749	297 100	916 675	45	49 493
November	81 793	129 476	318 711	973 878	37	54 698
December	87 168	175 058	322 420	1 032 243	33	66 558
Yearly average	82 835	148 846	262 004	887 598	40	55 860
Average for 1st 10 months	82 406	147 296	250 363	864 505	41	54 907
1971 January	87 320	286 171	351 747	1 144 349	20	78 882
February	85 440	254 753	345 708	1 132 874	13	72 383
March	81 956	206 472	330 958	1 124 225	19	63 689
April	79 516	160 356	315 277	1 020 376	14	54 394
May	76 915	142 890	299 654	983 467	16	50 568
June	74 575	135 157	288 916	967 823	15	52 066
July	78 978	141 957	290 845	956 404	26	57 738
August	79 059	145 835	305 371	943 753	37	58 318
September	80 559	146 740	341 100	1 008 349	28	62 250
October	84 557	170 111	376 900	1 031 063	16	72 376
November	92 169	207 990	394 900			
December		269 810				
Yearly average		185 072				
Average for 1st 10 months	80 888	179 292	324 648	1 031 268	20	62 266

Source: Extracts from national labour administrations.

Table 4 — Employed wage earners by sector and occupational branch  
(including estimates for 21 branches of processing industries according to NICE)

1970

(in thousands)

Sector and occupational branche	Germany	France	Italy	Netherlands	Belgium	Luxembourg	Community
<i>Agriculture</i>	260	478	1 252	..	15	(1)	..
<i>Industry</i>	11 169	7 387	6 869	..	1 414	50	772
Extractive industries	394	203	98	[20]	57	(2)	..
Processing industries	8 832	5 472	4 851	[1 155]	1 095	38	21 406
NICE 20 Fats and food industries	589	403	310	[143]	81	..	1 528
21 Beverages	164	56	58	[15]	23	..	316
22 Tobacco	51	13	29	[13]	8	..	114
23 Textiles	542	421	559	[72]	121	..	1 715
24 Footware, clothing, bedding	542	422	446	[87]	87	..	1 584
25 Wood and cork	228	95	189	[29]	18	..	559
26 Wooden furniture	278	82	130	[21]	30	..	541
27 Paper and paper articles	174	137	97	[32]	27	..	487
28 Printing, publishing etc.	382	216	114	[72]	38	..	822
29 Leather	69	48	52	[7]	7	..	183
30 Rubber, plastic materials, artificial and synthetic fibres	293	233	245	[42]	25	..	843
31 Chemicals	531	326	239	[75]	66	..	1 237
32 Petroleum	51	40	19	[6]	9	..	125
33 Non-metallic mineral products	367	232	282	[46]	69	..	996
34 Ferrous and non-ferrous metals	678	436	306	[43]	116	..	1 580
35 Metal manufactures	801	576	448	[108]	87	..	2 020
36 Non-electrical machinery	1 220	376	393	[87]	72	..	2 148
37 Electrical machinery and equipment	913	478	355	[119]	89	..	1 954
38 Transport equipment	689	703	495	[122]	100	..	2 109
39 Various processing industries	265	179	85	[16]	22	..	567
Building	1 747	1 560	1 738	[420]	230	(9)	5 695
Electricity, Gas, Water	195	153	183	..	33	(1)	..
<i>Services</i>	8 081	7 971	4 689	..	1 242	48	..
Commerce, catering etc.	2 312	2 230	925	..	259	(14)	..
Transport and Communications	1 289	1 140	811	..	211	(9)	..
Credit, insurance etc.	611	830	261	..	126	(3)	..
General Administration	1 823	1 216	1 653	..	229	(9)	..
Other Services	2 044	2 555	1 040	..	388	(13)	..
<i>Wage earners</i>	19 509	15 836	12 810	..	2 671	99	..

Source : SOEC—Community survey by soundings on labour forces (private households).

Table 5 — Personnel registered in the ECSC industries

(in thousands)

Sectors and Countries	30 June 1970				30 June 1971			
	Wor- kers	Em- ployees	Appren- tices	Total	Wor- kers	Em- ployees	Appren- tices	Total
<i>Coal mines</i>								
Germany	200.3	36.4	8.8	245.5	199.1	37.8	9.9	246.9
Belgium	34.5	5.5	1.0 <sup>(1)</sup>	41.0	31.9	5.0	1.0 <sup>(1)</sup>	37.9
France <sup>2</sup>	102.6	18.3	0.3	121.2	95.2	17.4	0.2	112.7
Italy	1.3	0.3	—	1.6	1.2	0.3	—	1.5
Netherlands	19.7	5.5	0.2	25.4	17.8	5.4	0.2	23.5
Community	358.4	66.0	10.3	434.7	345.2	65.9	11.3	422.5
<i>Iron and steel</i>								
Germany	182.6	46.8	7.4	236.7	176.5	49.1	7.4	233.0
Belgium	50.7	9.7	—	60.4	50.6	9.8	—	60.4
France	110.7	35.2	0.3	146.2	109.2	37.1	0.3	146.5
Italy	61.5	12.7	0.1	74.3	65.0	14.1	0.1	79.2
Netherlands	19.8	3.0	0.3	23.0	19.4	3.0	0.3	22.7
Community	13.7	7.6	0.3	21.6	13.7	7.9	0.3	22.0
Community	439.0	115.0	8.4	562.2	434.4	121.0	8.4	563.8
<i>Iron ore mines</i>								
Germany								
Belgium	3.3	0.6	0.1	3.9	3.0	0.5	0.1	3.7
France	9.8	2.1	0.0	11.9	9.6	2.1	—	11.7
Italy	1.0	0.1	—	1.1	0.9	0.1	—	1.0
Netherlands	1.2	0.2	—	1.4	1.1	0.2	—	1.3
Community	15.3	3.0	0.1	18.3	14.6	2.9	0.1	17.6
Community Total	812.7	184.0	18.8	1 015.2	794.2	189.8	19.8	1 003.9

<sup>1</sup> Students at technical and mining institutes only.<sup>2</sup> Including non-nationalized mines.

Source: Monthly surveys in enterprises under the authority of the ECSC.

Table 6 — Annual employment variations in the ECSC industries between 1968 and 1971 as at 30 June

(in thousands of persons and percentage)

Sectors and Countries	1967-1968		1968-1969		1969-1970		1970-1971	
	Absolute Figures	%	Absolute Figures	%	Absolute Figures	%	Absolute Figures	%
<i>Coalmines</i>	- 65.1	- 11.2	- 43.1	- 8.4	- 36.7	- 7.8	- 12.2	- 2.8
Germany	- 32.8	- 10.8	- 14.1	- 5.2	- 11.5	- 4.5	+ 1.4	+ 0.6
Belgium	- 7.6	- 11.8	- 8.5	- 14.9	- 7.5	- 15.5	- 3.1	- 7.6
France	- 17.7	- 10.6	- 14.7	- 9.9	- 12.8	- 9.6	- 8.5	- 7.0
Italy	- 0.0	- 2.0	- 0.2	- 9.1	- 0.0	- 1.8	- 0.1	- 5.9
Netherlands	- 6.9	- 16.1	- 5.8	- 16.1	- 4.8	- 15.9	- 1.9	- 7.5
<i>Iron and steel</i>	- 11.3	- 2.1	+ 6.3	+ 1.2	+ 22.0	+ 4.1	+ 1.6	+ 0.3
Germany	- 2.2	- 1.0	+ 1.1	+ 0.5	+ 6.3	+ 2.7	- 3.7	- 1.6
Belgium	+ 0.3	+ 0.5	+ 0.8	+ 1.4	+ 2.2	+ 3.8	0.0	0
France	- 8.2	- 5.6	+ 0.8	+ 0.6	+ 6.4	+ 4.6	+ 0.3	+ 0.2
Italy	- 1.3	- 1.9	+ 2.2	+ 3.3	+ 5.1	+ 7.4	+ 4.9	+ 6.6
Luxembourg	- 0.5	- 2.2	+ 0.2	+ 0.9	+ 0.6	+ 2.7	- 0.3	- 1.3
Netherlands	+ 0.5	+ 2.7	+ 1.2	+ 6.3	+ 1.4	+ 6.9	+ 0.4	+ 1.9
<i>Iron ore mines</i>	- 3.5	- 14.3	- 1.9	- 9.0	- 0.8	- 4.2	- 0.7	- 3.8
Germany	- 0.9	- 16.1	- 0.6	- 12.8	- 0.2	- 4.9	- 0.2	- 5.1
France	- 2.5	- 15.5	- 1.2	- 8.8	- 0.5	- 4.0	- 0.2	- 1.7
Italy	- 0.1	- 7.0	- 0.1	- 6.3	- 0.1	- 6.2	- 0.1	- 6.1
Luxembourg	- 0.1	- 5.4	- 0.1	- 4.3	- 0.0	- 3.4	- 0.1	- 6.1
Community (All sectors)	- 79.9	- 7.0	- 38.7	- 3.6	- 15.5	- 1.5	- 11.3	- 1.1

Source: Monthly surveys of enterprises under the authority of the ECSC.

Table 7 — Personnel registered in the coalfields

(in thousands)

Country	30 June 1970						30 June 1971					
	Coal face workers	Above ground and service	Supervisory and tech. staff	Office workers	Total	of whom Apprentices	Coal face workers	Above ground and service	Supervisory and tech. staff	Office workers	Total	of whom Apprentices
<i>Germany</i>												
Ruhr	108.7	56.9	19.0	10.3	194.9	7.6	107.9	58.5	19.4	11.4	197.1	8.3
Aachen	10.7	5.2	1.9	0.9	18.7	0.6	9.9	5.3	1.9	1.0	18.1	0.6
Lower Saxony	3.2	1.3	0.5	0.2	5.2	0.2	3.1	1.3	0.5	0.2	5.1	0.3
Saar	14.7	7.8	3.0	1.3	26.8	0.4	14.2	8.0	3.0	1.4	26.6	0.7
Total	137.3	71.2	24.4	12.7	245.5	8.8	135.1	73.1	24.7	14.0	246.9	9.9
<i>Belgium</i>												
South Campine	12.2	5.1	1.8	0.6	19.7	0.1 <sup>(1)</sup>	10.4	4.4	1.5	0.5	16.8	0.0 <sup>(1)</sup>
Total	25.8	9.8	4.2	1.3	41.0	1.0	23.8	9.0	3.9	1.2	37.9	1.0 <sup>(1)</sup>
<i>France</i>												
North, Pas de Calais	39.5	20.5	7.5	2.5	70.0	0.2	36.2	19.2	7.1	2.4	64.8	0.1
Lorraine	13.7	8.6	3.6	0.9	26.8	0.1	12.6	8.4	3.6	0.9	25.4	0.1
Central, South <sup>2</sup>	12.5	8.1	2.7	1.0	24.3	—	11.4	7.7	2.5	0.9	22.6	0.0
Total	65.7	37.2	13.8	4.4	121.2	0.3	60.2	35.2	13.2	4.2	112.7	0.2
<i>Italy</i>	0.8	0.5	0.2	0.1	1.6	—	0.7	0.5	0.2	0.1	1.5	—
<i>Netherlands (Limbourg)</i>	7.2	12.7	3.6	1.9	25.4	0.2	6.0	12.1	3.5	2.0	23.5	0.2
Community Total	236.8	131.4	46.2	20.4	434.7	10.3	225.8	129.9	45.5	21.5	422.5	11.3

<sup>1</sup> Students at technical and mining institutes only.<sup>2</sup> Including non-nationalized mines.

Source: Monthly surveys of enterprises under the authority of the ECSC.

Table 8 — Personnel registered in iron ore mining

(in thousands)

Countries	30 June 1970					30 June 1971				
	Workers in Production Services	Workers in other Services	Technical Employees and Management	Apprentices	Total	Workers in Production Services	Workers in other Services	Technical Employees and Management	Apprentices	Total
Germany	2.0	1.3	0.6	0.1	3.9	1.8	1.2	0.5	0.1	3.7
France	7.3	2.5	2.1	.	11.9	7.2	2.4	2.1	—	11.7
<i>including for Eastern region</i>	6.7	2.0	1.9	.	10.6	6.5	1.9	1.9	—	10.3
Italy	0.4	0.6	0.1	.	1.1	0.4	0.5	0.1	—	1.0
Luxembourg	0.6	0.6	0.2	.	1.4	0.5	0.6	0.2	—	1.3
Community Total	10.3	5.0	3.0	0.1	18.3	9.9	4.7	2.9	0.1	17.6

Source : Monthly survey of enterprises under the authority of the ECSC.

Table 9 — Personnel registered in the iron and steel industry

(in thousands)

Countries	30 June 1970					30 June 1971				
	Workers in Production Services (1)	Workers in other Services (1)	Technical Employees and Management	Apprentices	Total	Workers in Production Services (1)	Workers in other Services (1)	Technical Employees and Management	Apprentices	Total
<i>Germany</i>										
North	.	.	6.5	1.2	29.6	.	.	6.9	1.2	30.0
North Rhineland-Westphalia	.	.	32.2	4.9	159.0	.	.	34.0	4.7	155.5
South	.	.	3.0	0.5	17.4	.	.	3.0	0.5	16.9
	.	.	5.2	0.9	30.8	.	.	5.2	0.9	30.6
Total	122.4	60.2	46.8	7.4	236.7	116.5	60.0	49.1	7.4	233.0
<i>Belgium</i>	30.1	20.6	9.7	.	60.4	29.6	21.0	9.8	—	60.4
<i>France</i>										
North	14.2	10.2	7.3	0.0	31.7	14.2	10.0	7.6	0.0	31.9
East	35.5	29.6	22.2	0.1	87.4	34.7	28.8	23.3	0.0	86.7
Centre	7.6	3.4	3.2	0.1	14.3	7.6	3.6	3.5	0.1	14.8
Other regions	6.3	3.8	2.5	0.2	12.8	6.5	3.8	2.7	0.2	13.2
Total	63.7	47.0	35.2	0.3	146.2	63.0	46.2	37.1	0.3	146.5
<i>Italy</i>										
North	.	.	7.2	0.1	47.3	.	.	7.5	0.1	48.3
Centre/South	.	.	5.5	0.0	27.0	.	.	6.7	0.0	30.9
Total	37.3	24.2	12.7	0.1	74.3	39.0	26.0	14.1	0.1	79.2
<i>Luxembourg</i>	10.7	9.1	3.0	0.3	23.0	10.5	8.9	3.0	0.3	22.7
<i>Netherlands</i>	6.7	7.0	7.6	0.3	21.6	6.8	6.9	7.9	0.3	22.0
Community Total	270.9	168.1	115.0	8.4	562.2	265.4	169.0	121.0	8.4	563.8

<sup>1</sup> Estimated.

Source: Monthly surveys of enterprises under the authority of the ECSC.

Table 10 — Breakdown by nationality of persons registered in the ECSC

Sectors and Countries	30 June 1970									
	National Workers	Non-national workers								
		Total	Community origin		Third countries					
			Total	of whom Italians	Total	of whom Greeks	Spanish and Portuguese	North Africans	Turks	Others
<i>Coalfields<sup>1</sup></i>										
Germany	223.9	21.6	1.7	0.9	19.9	0.6	0.6	1.2	12.8	4.7
Belgium	22.6	18.4	8.3	7.2	10.1	1.1	1.3	2.9	3.3	1.5
France	102.1	19.1	6.5	4.2	12.6	0.0	0.7	7.6	0.0	4.3
Italy	1.6	—	—	—	—	—	—	—	—	—
Netherlands	22.9	2.5	0.9	0.2	1.6	0.0	0.1	0.8	0.0	0.7
Community	373.1	61.6	17.4	12.5	44.2	1.7	2.7	12.5	16.1	11.2
Change	30 June 1969 to 30 June 1970									
	- 36.1	- 0.7	- 2.9	- 2.4	+ 2.3	- 0.3	- 0.4	- 1.3	+ 5.4	- 1.1
<i>Iron and steel<sup>2</sup></i>										
Germany	163.3	19.2	3.1	2.2	16.1	2.0	3.1	0.2	7.8	3.0
Belgium	38.5	12.2	9.9	9.0	2.3	0.2	0.6	0.2	0.0	1.3
France	80.0	30.7	13.1	10.7	17.6	0.0	5.3	10.1	0.0	2.2
Italy	61.5	—	—	—	—	—	—	—	—	—
Luxembourg	14.8	4.9	4.6	1.4	0.3	0.0	0.0	0.0	0.0	0.3
Netherlands	11.7	2.1	0.5	0.4	1.6	0.1	1.2	0.0	0.1	0.2
Community	369.8	69.1	31.2	23.7	37.9	2.3	10.2	10.5	7.9	7.0
Change	30 June 1969 to 30 June 1970									
	+ 4.3	+ 9.5	+ 0.7	+ 0.5	+ 8.8	+ 0.3	+ 2.2	+ 2.0	+ 3.1	+ 1.2
<i>Iron ore mines<sup>2</sup></i>										
Germany	3.1	0.1	0.0	0.0	0.1	—	—	—	0.1	0.0
France	8.4	1.4	1.0	0.9	0.4	—	0.0	0.1	—	0.3
Italy	1.0	—	—	—	—	—	—	—	—	—
Luxembourg	0.8	0.4	0.3	0.2	0.0	—	—	—	—	0.0
Community	13.3	1.9	1.3	1.1	0.5	—	0.0	0.1	0.1	0.3
Change	30 June 1969 to 30 June 1970									
	- 0.6	—	- 0.2	- 0.1	+ 0.1	—	—	- 0.2	+ 0.1	—
<i>Industries ECSC (total)</i>	756.2	132.6	49.9	37.3	82.6	4.0	12.9	23.1	24.1	18.5
Change	30 June 1969 to 30 June 1970									
	- 32.4	+ 8.8	- 2.4	- 2.0	+ 11.2	0	+ 1.8	+ 0.5	+ 8.6	+ 0.1

<sup>1</sup> Workers, apprentices, employees, technicians and management.

<sup>2</sup> Workers excluding apprentices. Breakdown by nationality estimated.

Source: Quarterly survey of enterprises under the authority of the ECSC.

(thousands)

30 June 1971

Non-national workers

National Workers	Non-national workers								
	Total	Community origin		Third countries					
		Total	of whom Italians	Total	of whom Greeks	Spanish and Portu- guese	North Afri- cans	Turks	Others
219.6	27.3	1.7	0.9	25.7	0.5	0.5	0.8	17.9	5.9
20.6	17.3	7.0	6.0	10.3	1.0	1.2	3.0	3.8	1.3
94.7	18.0	5.8	3.9	12.2	0.0	0.6	8.0	0.0	3.5
1.5	—	—	—	—	—	—	—	—	—
20.7	2.8	0.7	0.2	2.0	0.0	0.1	1.3	0.0	0.6
357.1	65.4	15.2	11.0	50.2	1.5	2.4	13.1	21.7	11.3

30 June 1970 to 30 June 1971

- 16.0	+ 3.8	- 2.2	- 1.5	+ 6.0	- 0.2	- 0.3	+ 0.6	+ 5.6	+ 0.1
156.3	20.3	3.2	2.2	17.1	2.4	2.7	0.1	9.0	2.9
38.2	12.4	10.1	9.2	2.3	0.3	0.6	0.3	0.1	1.0
79.2	30.0	12.5	10.3	17.5	0.0	4.8	10.8	0.1	1.8
65.0	—	—	—	—	—	—	—	—	—
14.4	5.0	4.8	1.6	0.2	—	0.0	0.0	—	0.2
11.3	2.5	0.5	0.5	2.0	0.1	1.6	0.0	0.2	0.1
364.4	70.2	31.1	23.8	39.1	2.8	9.7	11.2	9.4	6.0

30 June 1970 to 30 June 1971

- 5.4	+ 1.1	- 0.1	+ 0.1	+ 1.2	+ 0.5	- 0.5	+ 0.7	+ 1.5	- 1.0
2.9	0.2	0.0	0.0	0.1	—	—	—	0.1	0.0
8.3	1.3	1.0	0.9	0.3	—	0.0	0.1	0.0	0.2
0.9	—	—	—	—	—	—	—	—	—
0.7	0.3	0.3	0.2	0.0	—	—	—	—	0.0
12.8	1.8	1.3	1.1	0.4	—	0.0	0.1	0.1	0.2

30 June 1970 to 30 June 1971

- 0.5	- 0.1	—	—	- 0.1	—	—	—	—	- 0.1
734.3	137.4	47.6	35.9	89.7	4.3	12.1	24.4	31.2	17.5

30 June 1970 to 30 June 1971

- 21.9	+ 4.8	- 2.3	- 1.4	+ 7.1	+ 0.3	- 0.8	+ 1.3	+ 7.1	- 1.0
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Table 11 — Breakdown by age groups of workers in coalfields (including apprentices)<sup>1</sup>

Country	Year	Age 14-15	Age 16-20	Age 21-25	Age 26-30	Age 31-35	Age 36-40	Age 41-45	Age 46-50	Age 51-55	Age 56-60	Age 61-65	Age 66 +
Germany	1968	0.4	6.6	4.4	9.7	13.8	18.9	16.8	14.1	9.9	4.6	0.7	—
	1969	0.4	6.2	4.1	8.6	13.6	17.8	18.4	15.7	9.4	5.1	0.7	—
	1970	0.3	6.1	4.9	8.3	12.9	16.5	19.0	16.1	9.4	5.8	0.8	—
	1971	0.4	6.2	5.5	8.3	12.5	14.9	19.2	16.1	10.4	5.8	0.9	—
Belgium	1968	0.0	2.3	4.3	12.0	17.9	19.9	17.8	11.9	8.0	4.9	0.9	0.1
	1969	0.0	2.1	3.7	9.4	17.2	20.6	19.0	14.4	7.5	5.2	0.8	0.1
	1970	0.1	2.2	3.6	7.7	17.1	21.4	19.2	15.5	7.2	5.3	0.8	0.1
France	1968	—	3.6	5.4	10.6	14.0	20.1	23.4	18.1	5.9	0.1	—	—
	1969	—	2.8	5.5	8.3	13.5	19.9	24.7	20.1	5.1	0.1	—	—
	1970	—	2.2	5.3	7.4	12.7	19.9	25.7	21.3	5.3	0.1	—	—
Italy	1968	—	0.1	0.1	0.6	4.0	10.6	20.2	23.7	27.7	12.2	0.8	—
	1969	—	0.2	5.3	2.3	2.9	8.9	16.7	23.6	22.5	15.8	1.8	—
	1970	—	—	4.7	3.1	1.8	8.0	14.0	24.0	21.0	19.9	3.5	—
Netherlands	1968	—	4.6	9.5	11.1	13.6	14.8	17.2	17.6	9.2	2.5	0.1	—
	1969	0.1	3.4	8.6	10.4	13.6	14.7	16.1	20.7	9.9	2.5	0.1	—
	1970	0.1	3.5	8.0	10.1	14.2	14.2	14.1	22.4	10.8	2.5	0.0	—
Community	1968	0.2	5.1	5.0	10.0	14.3	19.1	18.9	15.3	8.5	3.3	0.5	0.0
	1969	0.2	4.7	4.7	8.7	13.9	18.5	20.1	17.1	8.0	3.6	0.4	0.0
	1970	0.2	4.5	5.0	8.1	13.3	17.8	20.6	17.8	8.2	4.1	0.5	0.0

<sup>1</sup> Period of reference : Germany end June, other countries end December.

Source : Annual surveys of enterprises under the authority of the ECSC.

## APPENDIX 2

### Duration of work (working hours)

Table 1 — Duration of contractual working week for workers in certain particular industrial branches of the EEC

Table 2 — Workers weekly average duration of work

Table 1 — Duration of contractual working week for workers<sup>1</sup> in certain particular industrial branches of the EEC<sup>2</sup>

(in hours)

Industrial Branch	Month/year	Belgium	Germany	Italy	Luxembourg	Netherlands
Motor vehicles	October 1963	45	41 1/4-42 1/2	46-46 1/2	.	45
	October 1967	44	40	43 1/2-44	.	43 3/4
	October 1968	43	40	43 1/2-44	.	43 3/4
	April 1970	43	40	42	.	43 3/4
	April 1971	42 (*)	40	41	.	43 3/4
Electrical	October 1963	45	42-42 1/2	46-47	.	45
	October 1967	44	40	44 1/2-45 1/2	.	43 3/4
	October 1968	43	40	44 1/2-45 1/2	.	43 3/4
	April 1970	43	40	43 1/2	.	43 3/4
	April 1971	43	40	42 1/2	.	43 3/4(*)
Textiles	October 1963	45	42	46	.	45
	October 1967	45	41	45	.	45
	October 1968	45	41	44	.	43 3/4
	April 1970	36 1/2-44	40	43	42-44	43 3/4
	April 1971	38-43 (*)	40	43 (*)	42-44	43 3/4(*)
Artificial and synthetic	October 1963	45	42 1/2	46 1/2	.	45
	October 1967	45	41 1/4	45	.	45
	October 1968	45	41 1/4	45	.	43 3/4
	April 1970	.	40	42	42	42 1/2
	April 1971	.	40	42	42	42 1/2
Rubber	October 1963	45	42-43	46	44	45
	October 1967	45	40-41 1/2	45	44	45
	October 1968	43-45	40-41 1/2	44	44	43 3/4
	April 1970	44	40	43 1/2	44	42 1/2
	April 1971	44 (*)	40	42	44	42 1/2
Chemicals	October 1963	45	42 1/2	46 1/2	.	45
	October 1967	} some entrepris- ses between 42 1/2 et 43	41 1/4	44	.	45
	October 1968		43-45	41 1/4	43 1/2	.
	April 1970	44	40	42	42	42 1/2
	April 1971	44 (*)	40	41 (*)	42	42 1/2

Clothing	October 1963	45	40-42	45		45	
	October 1976	45	40-41	45		43 3/4	
	October 1968	45	40-41	45		43 3/4	
	April 1970	44	40-41	44	45	42 1/2	
	April 1971	44	40	43	44	42 1/2	
Glass	October 1963	45	40-42 1/2	45 1/2	} partly 46, 42 et 36	45	
	October 1967	44-45	40-41 1/4	45 1/2		45	
	October 1968	44	40-41 1/4	44 1/2		45	
	April 1970	40-44	40	44 1/2		42 1/2	
	April 1971	42-43	40	44 1/2 (°)		42 1/2	
Shipbuilding	October 1963	44	41 1/4	46		45	
	October 1967	44	40	46		43 3/4	
	October 1968	43	40	46		43 3/4	
	April 1970	43	40	44		43 3/4	
	April 1971	43	40	43		43 3/4(°)	
Building and Civil engineering	October 1963	45	} 1-4 to 31-10:42 1-11 to 31-3: 40	45	45	45	
	October 1967	45		44	45	45	
	October 1968	45		44	45	43 3/4	
	April 1970	43 3/4		40	42	44	42 1/2
	April 1971	43 3/4		40	41	44	42 1/2
Iron and steel	December 1957	45	45	48	44	48	
	January 1964	45	41-42	44-45	42 1/3	45	
	April 1968	43	40	42-42 1/2	41 1/2	43 3/4	
	April 1970	42	40	41	41	43 3/4	
	April 1971	42	40	40	41	42 1/2	

<sup>1</sup> Provided they are not employed on continuous work.

<sup>2</sup> Excluding France, the legal weekly duration of work is fixed, in principle, at 40 hours by the law of 21 June 1936. There is no contractual weekly duration differing from the weekly legal duration of work, although freely negotiated agreements may be made on this matter.

<sup>3</sup> Agreements in some enterprises stipulate systems of duration of work of 40 hours and sometimes less according to whether the work is carried out by one or several shifts.

<sup>4</sup> 42 1/2 hours maximum as from 1 July 1971.

<sup>5</sup> Depending on whether single, double or night shifts are involved.

<sup>6</sup> 42 hours as from 1 July 1971.

<sup>7</sup> Agreements in some enterprises stipulate 40 to 42 hours.

<sup>8</sup> 40 hours as from 1 May 1971.

<sup>9</sup> 43 hours as from 1 May 1971. In certain sectors 43, 40 or 36 hours.

Table 2 — Workers weekly average duration of work (in hours)

NICE	Industrial Branch	Month	Germany				France			
			1967	1969	1970	1971	1967	1969	1970	1971
11	Solid fuels	Apr.	40.3	42.7	43.4	43.2	41.3	41.4	41.5	40.5
		Oct.	41.3	43.0	41.7		44.3	42.2	41.0	
111	Coal	Apr.	40.0	42.5	43.2	41.9	41.3	41.4	41.5	40.5
		Oct.	41.0	42.9	41.5		44.3	42.2	41.0	
12	Metallic ores	Apr.	45.1	45.8	46.2	43.4	.	.	.	—
		Oct.	44.6	45.2	45.1					
13	Crude petroleum and natural gas	Apr.	45.3	45.8	46.7	45.0	47.3	43.9	43.7	42.8
		Oct.	45.9	46.6	47.1		47.3	43.8	43.8	
14	Building materials	Apr.	47.3	49.1	49.1	48.4	50.3	50.1	50.1	49.9
		Oct.	43.8	50.0	50.0		50.3	50.4	50.5	
19	Other minerals and peat	Apr.	43.1	44.3	44.9	44.2	47.2	46.0	45.8	45.1
		Oct.	44.2	45.5	45.0		51.0	46.7	46.1	
1	<i>Extractive industries</i>	Apr.	41.4	43.7	44.3	43.2	43.3	43.2	43.2	42.4
		Oct.	42.4	44.2	43.1		45.8	43.9	42.9	
20 A	Fats	Apr.	42.9	42.9	42.7	42.3	47.0	45.8	44.9	44.1
		Oct.	42.8	43.1	43.4		47.6	45.4	44.6	
20 B	Foodstuffs	Apr.	45.6	45.8	45.5	45.1	46.8	46.5	46.1	46.0
		Oct.	47.7	48.0	47.3		48.3	48.0	47.6	
21	Beverages	Apr.	45.0	45.3	45.0	44.9	45.3	44.6	44.4	43.9
		Oct.	44.7	44.8	44.8		46.3	44.9	45.1	
22	Tobacco	Apr.	40.4	40.7	40.6	40.6	45.0	44.0	43.0	42.0
		Oct.	40.4	41.3	41.0		45.2	44.0	42.0	
23	Textiles	Apr.	41.0	43.1	42.7	42.2	42.3	44.0	43.0	42.8
		Oct.	41.9	43.0	42.8		41.8	43.9	42.6	
24	Footwear, clothing, bedding	Apr.	38.8	41.1	40.7	40.4	42.5	42.8	41.4	42.2
		Oct.	40.0	41.2	40.9		41.9	42.6	42.0	
25	Wood, cork	Apr.	44.0	45.0	45.2	44.6	47.5	46.6	46.5	46.3
		Oct.	44.5	45.6	45.5		47.6	47.0	46.5	
26	Wooden furniture	Apr.	41.8	43.0	43.3	42.9	48.2	47.5	46.0	46.6
		Oct.	43.6	44.1	43.9		48.4	47.4	47.0	
27	Paper and paper arts	Apr.	44.1	44.9	44.6	43.4	46.4	45.9	45.7	44.3
		Oct.	44.1	45.0	44.3		46.3	45.9	45.3	

(in hours)

Italy				Netherlands				Belgium				Luxembourg			
1967	1969	1970	1971	1967	1969	1970	1971	1967	1969	1970	1971	1967	1969	1970	1971
42.0	42.1	42.0	42.0	42.0	42.2	42.0	42.1	39.6	40.3	40.5	40.2	—	—	—	—
42.0	42.0	43.0		41.9	42.2	42.3		41.4	40.4	40.5		—	—	—	
42.8	42.1	42.0	42.0	42.0	42.2	42.0	42.1	39.5	40.0	40.3	40.1	—	—	—	—
42.0	42.0	43.0		41.9	42.2	42.3		41.3	40.1	40.3		—	—	—	
40.0	41.9	41.7	42.0	—	—	—	—	—	—	—	—	40.0	41.3	42.3	41.2
42.5	42.1	42.0		—	—	—		—	—	—		40.6	41.8	41.1	
42.6	42.8	42.4	42.3	.	.	.	.	—	—	—	—	—	—	—	—
43.6	42.3	42.7		.	.	.	.	—	—	—		—	—	—	
44.0	42.8	42.2	42.0	.	.	.	.	47.4	49.7	47.7	45.1	52.5	50.4	52.4	48.6
44.9	42.8	42.4		.	.	.	.	46.7	48.1	47.5		51.0	50.9	50.9	
40.0	41.8	41.7	41.7	.	.	.	.	—	—	—	—	.	.	.	—
42.2	41.7	41.6		.	.	.	.	—	—	—		.	.	.	
48.0	42.2	42.0	41.9	42.8	42.9	42.8	42.8	40.5	41.4	41.3	40.8	41.7	43.3	44.4	42.8
43.0	42.2	42.1		42.7	43.0	43.0		42.0	41.3	41.3		42.6	43.8	43.1	
45.7	45.8	44.8	43.5	45.6	44.6	43.6	43.7	44.5	44.1	43.2	43.8	—	—	—	—
45.9	45.7	43.4		45.4	44.1	43.2		44.3	43.4	44.0		—	—	—	—
44.0	45.1	43.6	42.9	46.5	45.9	45.6	44.8	45.4	43.7	43.1	42.2	47.8	48.7	48.4	47.6
45.7	45.4	44.3		47.7	46.6	45.8		44.8	44.7	44.7		49.7	48.8	47.0	
44.0	44.5	42.8	42.5	46.8	45.5	44.6	45.0	45.4	44.3	43.3	43.5	47.1	47.4	47.6	46.3
45.1	43.4	43.1		46.3	45.6	44.6		45.2	44.0	43.4		48.5	47.7	50.3	
40.0	41.2	41.2	40.3	45.6	44.7	44.6	43.3	44.3	41.8	40.7	40.5	46.5	45.4	44.7	45.4
42.1	42.0	41.9		45.8	44.9	43.6		43.2	42.6	42.0		46.3	45.6	44.7	
44.0	42.5	42.1	41.7	42.7	44.0	43.8	43.8	42.1	43.3	42.5	42.1	46.2	46.8	47.2	—
44.4	42.4	42.1		43.8	43.9	44.1		42.8	43.2	41.6		48.4	47.3		—
40.0	42.5	42.1	41.9	43.3	44.0	43.0	42.8	42.0	42.6	42.1	41.4	40.6	44.3	42.5	42.9
43.6	42.4	42.2		44.1	43.9	43.0		42.0	41.4	41.0		42.3	43.3	43.9	
44.0	43.5	43.2	42.5	46.1	45.6	44.9	44.1	45.2	45.3	43.9	43.3	47.6	50.2	49.2	45.4
44.8	43.6	43.1		46.2	45.8	44.6		45.2	44.8	43.5		49.4	49.5	47.1	
44.0	43.3	43.1	42.5	45.3	44.8	45.0	43.7	44.1	44.5	43.2	41.5	50.5	50.4	50.4	46.7
44.4	43.3	43.2		46.0	45.0	44.1		43.9	43.7	42.2		48.7	50.3	48.6	
44.0	43.5	42.8	42.3	46.3	45.2	44.4	43.4	44.6	44.5	43.8	43.6	.	.	.	—
43.4	43.0	42.8		45.4	45.3	43.8		44.1	44.0	43.7		.	.	.	

Table 2 — (cont.) Workers weekly average duration of work

NICE	Industrial Branch	Month	Germany				France			
			1967	1969	1970	1971	1967	1969	1970	1971
			28	Printing, Publishing	Apr. Oct.	42.9 42.9	44.0 43.8	43.8 43.3	43.2	44.5 44.0
29	Leather	Apr. Oct.	42.0 42.3	43.6 44.0	43.6 43.5	43.1	44.5 44.5	45.0 44.8	43.7 44.0	44.2
30	Rubber, plastics, artificial and synthetic fibres	Apr. Oct.	41.7 42.6	43.4 43.5	43.4 42.6	42.1	44.8 45.7	45.8 45.6	45.3 44.9	44.8
31	Chemicals	Apr. Oct.	43.8 43.5	43.9 43.7	43.1 42.8	42.3	45.0 44.8	44.3 44.2	43.7 43.5	43.1
32	Petroleum	Apr. Oct.	44.4 43.8	43.5 42.7	42.6 42.7	41.7	45.4 44.6	42.6 42.6	42.2 41.4	41.0
33	Non-metallic mineral products	Apr. Oct.	45.0 44.9	45.3 46.1	45.6 46.0	45.1	46.6 47.0	46.2 46.3	45.7 45.5	44.8
34	Ferrous and non-ferrous metals	Apr. Oct.	42.4 42.7	44.5 44.8	44.9 44.4	42.8	47.1 47.0	46.9 46.2	46.0 45.8	45.4
341-343	Iron and steel	Apr. Oct.	42.7 42.6	44.3 44.6	44.6 44.2	42.5	47.5 47.3	47.1 46.3	46.2 45.8	45.4
35	Metal mfs.	Apr. Oct.	41.9 42.9	44.9 45.3	45.2 45.2	43.8	47.6 47.5	47.2 47.3	46.9 47.0	46.7
36	Non-electrical machinery	Apr. Oct.	42.0 42.4	45.1 45.1	45.5 45.1	43.6	47.2 46.4	46.5 46.5	46.3 45.9	45.5
37	Electrical machinery and equipment	Apr. Oct.	40.9 41.4	42.6 42.8	42.8 42.6		46.2 46.1	45.6 45.4	45.1 44.9	44.4
38	Transport equipment	Apr. Oct.	39.7 42.8	44.4 44.6	44.7 44.8	43.3	47.1 46.9	46.4 46.0	45.6 45.5	45.1
39	Various processing industries	Apr. Oct.	41.3 41.2	42.3 42.4	42.3 42.1	40.7	46.0 45.8	45.5 45.5	45.1 45.3	44.9
213	<i>Manufacturing industries</i>	Apr. Oct.	42.0 42.8	44.0 44.2	44.1 44.0	42.9	45.7 45.7	45.6 45.6	44.9 45.0	44.6
4	<i>Building and civil engineering</i>	Apr. Oct.	43.8 44.1	44.6 45.2	44.9 45.1	44.2	49.6 50.2	49.3 49.9	49.2 49.7	48.8
1-4	<i>Total of groups 1 - 4</i>	Apr. Oct.	42.2 43.0	44.1 44.4	44.2 44.1	43.1	46.4 46.7	45.8 46.5	45.8 45.9	45.4

(in hours)

Italy				Netherlands				Belgium				Luxembourg			
1967	1969	1970	1971	1967	1969	1970	1971	1967	1969	1970	1971	1967	1969	1970	1971
40.0	41.9	41.9	41.7	45.7	45.8	44.4	44.0	42.7	42.1	42.3	41.4	44.1	44.1	45.0	45.7
42.0	41.9	41.8		45.5	45.3	44.1		42.5	41.1	41.9		44.0	44.7	44.1	
44.0	44.3	43.5	42.4	45.8	46.2	46.2	44.8	44.9	44.1	41.6	42.5				—
44.2	44.1	43.5		47.2	46.5	45.3		44.5	43.8	42.6					
44.0	45.2	43.9	42.7	44.5	44.3	43.2	42.8	45.3	44.7	44.3	42.5	44.9	46.5	46.2	42.5
45.2	44.5	43.4		44.8	44.3	43.2		45.0	44.7	43.6		46.5	44.5	44.4	
44.0	43.6	42.9	42.4	45.1	44.6	43.7	42.9	45.0	44.4	43.5	42.9	46.9	45.9	46.0	45.7
44.2	43.5	42.8		44.9	44.3	43.3		45.3	44.1	43.4		47.4	47.4	46.1	
40.0	42.4	42.2	42.1	43.9	43.6	43.4	43.3	41.4	40.6	40.0	39.8	—	—	—	—
42.4	42.3	42.2		43.8	43.8	43.4		40.6	42.0	40.4		—	—	—	
44.0	44.3	4.32	42.5	46.7	46.4	45.6	45.3	45.2	44.5	43.8	42.7	46.3	46.2	47.4	47.0
44.3	43.9	4.31		47.0	46.6	45.8		43.8	44.2	42.4		46.4	46.6	47.8	
44.0	45.4	42.8	42.3	45.5	45.1	45.2	44.0	45.0	44.3	44.1	42.4	42.8	42.4	42.3	40.8
45.5	45.2	42.7		46.2	45.4	44.9		44.4	44.4	42.8		42.6	44.2	42.7	
44.0	45.1	42.8	42.3	45.0	44.3	44.4	43.3	45.2	44.7	44.0	42.9		42.3	42.3	40.7
44.9	45.0	42.6		44.6	44.8	44.5		44.4	44.6	43.0			44.2	42.7	
44.0	45.1	42.7	42.4	46.2	45.6	45.5	44.5	43.4	43.7	43.1	41.8	43.8	49.0	48.6	49.2
44.9	44.8	42.6		45.3	45.7	45.0		43.0	42.9	43.0		49.1	49.5	50.8	
44.0	45.3	42.8	42.3	45.8	45.0	44.9	43.8	44.3	43.3	43.6	43.3	47.6	47.1	47.2	47.7
45.0	44.8	42.6		44.8	45.5	44.3		43.8	44.2	43.2		46.2	48.9	47.3	
44.0	45.2	42.7	42.2	44.7	43.8	43.3	42.7	44.9	43.3	43.2	41.4	48.2	45.7	45.9	44.7
44.9	44.8	42.4		43.9	43.8	43.1		44.4	43.3	42.4		51.3	46.5	46.4	
44.0	45.3	42.3	42.2	45.9	45.2	45.2	43.8	43.6	43.8	43.4	42.8	45.3	45.5	46.4	44.3
44.3	43.2	42.3		44.6	45.1	44.0		44.1	42.6	42.4		46.1	44.5	45.4	
44.0	44.5	43.0	42.4	45.4	44.9	44.6	43.5	41.1	41.0	40.6	40.3				—
44.6	44.2	42.8		44.9	44.7	43.5		41.4	41.0	40.8					
44.0	44.2	42.6	42.2	45.3	44.9	44.5	43.8	43.9	43.7	43.1	42.2	43.7	43.8	43.8	42.4
44.7	43.7	42.6		45.2	45.1	44.2		43.7	43.4	42.6		43.9	45.0	44.0	
40.0	41.7	41.3	41.2	46.1	45.2	44.0	44.1	45.0	45.0	4.36	43.9	54.9	51.0	51.7	53.1
44.0	42.0	42.0		46.2	45.4	44.3		44.7	45.2	4.39		52.3	49.0	50.4	
44.0	43.8	42.5	42.1	45.3	45.0	44.4	43.9	43.9	43.8	43.1	42.4	46.1	44.9	45.1	44.2
44.6	43.4	42.5		45.4	45.1	44.3		43.8	43.6	42.7		45.7	45.6	45.0	

## APPENDIX 3

### Wages

Table 1 — Average gross hourly earnings by industrial workers in the Community

Table 2 — Increase in average gross hourly earnings by industrial workers in April 1971

Table 3 — Index of average gross hourly earnings by industrial workers

Table 1 — Average gross hourly earnings by industrial workers in the Community

NICE	Industrial Branch	Germany (DM)			France (FF)		
		April 1969	April 1970	April 1971	March 1969	March 1970	March 1971
11	Solid fuels	5.42	6.25	6.91	5.38	5.80	6.31
1111	Coal	5.09	62.1	7.10	5.38	5.80	6.31
12	Metallic ores	5.28	5.98	6.94	7.10	7.57	8.56
18	Crude petroleum and natural gas	5.13	5.93	7.20			
14	Building materials	4.97	5.75	6.49	4.77	5.41	5.71
19	Other minerals and peat	5.38	5.98	6.99	4.59	5.51	5.68
<i>I</i>	<i>Extractive industries</i>	<i>5.35</i>	<i>6.15</i>	<i>6.86</i>	<i>5.44</i>	<i>5.92</i>	<i>6.44</i>
20a	Fats	5.91	6.43	7.45	5.32	5.86	6.14
20b	Foodstuffs	4.36	4.91	5.49	4.60	5.18	5.67
21	Beverages	5.09	5.70	6.51	4.90	5.55	6.17
22	Tobacco	4.26	4.82	5.34	—	—	—
23	Textiles	4.28	5.02	5.28	4.08	4.61	5.13
24	Footwear, clothing, bedding	3.99	4.47	4.96	4.27	4.72	5.25
25	Wood and cork	4.58	5.22	5.95	4.42	4.94	5.38
26	Wooden furniture	5.16	5.78	6.49	4.68	5.23	5.79
27	Paper and paper products	4.85	5.43	6.15	4.91	5.57	6.09
28	Printing, publishing etc.	6.19	6.99	7.83	7.36	8.24	8.94
29	Leather	4.45	5.03	5.53	4.43	4.76	5.26
30	Rubber, plastics, artificial and synthetic fibres	5.07	5.66	6.43	4.96	5.62	6.30
31	Chemicals	5.56	6.09	7.03	5.72	6.66	7.35
32	Petroleum	6.13	6.78	8.12	8.46	9.67	10.11
33	Non-metallic mineral products	5.09	5.77	6.59	5.23	5.98	6.66

Italy (Lits)			Netherlands (Fl.)			Belgium (Bfrs)			Luxembourg (Lfrs)		
April 1969	April 1970	April 1971	April 1969	April 1970	April 1971	April 1969	April 1970	April 1971	April 1969	April 1970	April 1971
808	875	1 485	5.47	5.81	.	69.44	80.37	92.76	—	—	—
1 078	1 372	1 894	5.48	5.82	.	69.48	80.53	93.72	—	—	—
622	689	811	—	—	—	—	—	—	89.66	103.04	106.46
806	898	1 230	.	.	.	—	—	—	—	—	—
444	559	650	.	.	.	59.99	65.19	78.97	59.98	64.04	76.63
630	676	850	.	.	.	—	—	—	—	—	—
566	639	832	5.41	5.76	6.34	68.35	78.61	90.53	81.62	92.53	98.86
469	520	728	4.56	5.14	5.75	63.43	68.23	79.48	—	—	—
475	559	650	4.03	5.43	5.22	51.30	55.82	63.19	53.37	53.15	70.55
520	582	703	4.22	4.77	5.46	56.23	60.57	67.48	57.65	61.78	70.43
626	646	783	3.61	4.07	4.64	51.02	55.28	62.12	52.01	57.05	62.28
401	450	593	3.96	4.32	4.77	49.86	53.95	61.22	37.82	44.41	.
359	402	535	2.87	3.18	3.59	42.29	47.00	52.17	33.97	38.57	44.91
395	434	559	3.94	4.33	5.05	54.21	58.72	67.33	47.37	50.90	60.16
405	441	569	3.92	4.25	5.04	55.65	59.97	67.37	59.78	63.71	77.73
514	621	679	4.44	4.94	5.78	56.79	63.49	71.21	—	—	.
771	815	1 017	4.48	5.03	5.82	64.48	72.33	76.94	69.24	75.99	80.05
394	466	596	3.52	3.94	4.51	43.67	53.39	59.39	—	—	—
509	589	772	4.59	5.17	5.87	53.01	63.33	71.86	70.14	76.97	87.17
536	698	833	4.69	5.27	5.92	64.78	72.24	81.88	54.94	59.29	68.19
815	969	1 119	6.02	7.19	7.79	91.89	103.01	117.99	—	—	—
463	557	661	4.35	4.96	5.63	59.96	66.74	76.18	61.84	64.79	76.93

Table 1 — (cont.) Average gross hourly earnings by industrial workers in the Community

NICE	Industrial Branch	Germany (DM)			France (FF)		
		April 1969	April 1970	April 1971	March 1969	March 1970	March 1971
84	Ferrous and non-ferrous metals	5.77	6.49	7.30	5.12	5.93	6.57
841 - 843	Iron and steel	5.89	6.66	7.46	5.05	5.93	6.52
35	Metal manufactures	5.18	5.76	6.59	4.97	5.57	6.18
36	Non-electrical machinery	5.48	6.13	7.01	5.54	6.27	6.82
37	Electrical machinery and equipment	4.79	5.80	6.16	5.23	5.95	6.55
38	Transport equipment	5.79	6.56	7.55	5.71	6.44	7.10
39	Various processing industries	4.68	5.17	5.91	5.25	5.89	6.44
2/3	<i>Manufacturing industries</i>	5.13	5.77	6.56	5.01	5.66	6.24
4	<i>Building and civil engineering</i>	5.36	6.30	7.09	4.94	5.45	5.90
1-4	<i>Groups 1-4 total</i>	5.22	5.86	6.66	5.03	5.64	6.19

Italy (Lits)			Netherlands (Fl.)			Belgium (Bfrs)			Luxembourg (Lfrs)		
April 1969	April 1970	April 1971	April 1969	April 1970	April 1971	April 1969	April 1970	April 1971	April 1969	April 1970	April 1971
604	758	840	4.95	5.32	6.20	70.19	77.34	89.22	85.01	100.98	103.53
652	812	895	5.23	5.54	6.47	74.70	82.38	94.22	85.42	101.60	104.26
466	593	673	4.23	4.66	5.49	58.63	64.16	72.85	56.38	64.68	76.48
539	672	753	4.24	4.70	5.61	62.93	68.26	77.63	61.16	70.01	80.61
494	620	720	3.95	4.33	4.97	57.15	63.37	73.84	58.87	64.84	80.32
593	729	813	4.37	4.82	5.73	67.53	74.77	85.63	48.10	58.61	62.26
413	503	589	3.84	4.26	4.95	46.49	50.49	55.05	—	—	—
494	595	704	4.12	4.56	5.25	57.37	63.25	71.83	76.24	88.46	93.54
509	633	702	4.64	5.18	5.88	61.06	66.56	77.05	59.76	63.12	69.58
497	601	705	4.28	4.71	5.43	58.85	64.78	73.91	74.29	84.97	90.06

Table 2 — Percentage increase in average gross hourly earnings by industrial workers in April 1971

NICE	Industrial Branch	April 1971-April 1964			
		Germany	France	Italy	Netherlands
11	Solid fuels	61.8	55.4	222.8	.
1111	Coal	67.8	55.4	399.7	.
12	Metallic ores	77.9	61.8	75.2	—
13	Crude petroleum and natural gas	89.0	.	115.0	.
14	Building materials	71.2	71.0	94.6	.
19	Other minerals and peat	84.4	91.2	111.4	.
<i>I</i>	<i>Extractive industries</i>	<i>64.5</i>	<i>59.4</i>	<i>107.5</i>	<i>66.8</i>
20A	Fats	80.0	73.9	125.4	84.3
20B	Foodstuffs	77.7	85.9	84.7	108.0
21	Beverages	81.8	86.4	99.7	98.5
22	Tobacco	90.7	.	174.7	94.1
23	Textiles	66.0	82.6	103.8	93.9
24	Footwear, clothing, bedding	69.3	81.7	107.4	100.6
25	Wood and cork	72.5	80.5	108.6	95.7
26	Wooden furniture	.	83.2	103.9	97.6
27	Paper and paper products	81.4	87.4	82.0	107.9
28	Printing, publishing	89.1	85.1	105.9	103.5
29	Leather	70.7	77.7	101.4	92.7
30	Rubber, plastics, artificial and synthetic fibres	77.1	83.8	94.5	96.9
31	Chemicals	81.7	90.4	126.4	104.1
32	Petroleum	88.8	103.4	102.0	121.3
33	Non-metallic mineral products	74.8	91.4	103.4	101.1

April 1971-April 1970

Belgium	Luxembourg	Germany	France	Italy	Netherlands	Belgium	Luxembourg
88.5	—	10.8	8.8	69.0	.	15.4	—
86.3	—	14.3	8.8	38.0	.	16.4	—
—	65.6	16.1	13.1	26.9	—	—	3.3
—	—	21.4	.	37.0	.	.	—
74.7	67.3	12.9	5.5	16.3	.	13.5	19.7
—	—	16.9	8.1	33.0	.	—	—
81.9	61.4	11.5	8.8	30.2	10.1	15.2	6.8
111.0	—	15.9	4.8	40.0	11.9	16.5	—
81.6	88.7	11.8	9.5	16.3	15.2	13.2	21.3
86.3	58.3	14.2	11.2	20.8	14.5	11.4	14.0
103.7	87.1	10.8	.	21.2	14.0	12.4	9.2
82.0	.	5.2	11.3	31.8	10.4	13.5	.
90.7	85.4	11.0	11.2	33.1	12.9	11.0	16.4
91.4	.	14.0	8.9	28.8	16.6	14.7	18.2
77.7	99.2	12.3	10.7	29.0	18.6	12.3	22.0
88.2	—	13.3	9.3	9.3	17.0	12.2	—
85.7	64.7	12.0	8.5	24.8	15.7	6.4	5.3
84.3	—	9.9	10.5	27.9	14.5	11.2	—
88.2	76.7	13.6	12.1	31.1	9.7	13.5	13.3
98.6	99.0	15.4	10.4	19.3	12.3	13.3	15.0
92.2	—	19.8	4.6	15.5	8.3	14.5	—
89.5	75.1	14.2	11.4	18.7	18.5	14.1	18.7

Table 2 — (cont.) Percentage increase in average gross hourly earnings by industrial workers in April 1971

NICE	Industrial Branch	April 1971-April 1964			
		Germany	France	Italy	Netherlands
34	Ferrous and non-ferrous metals	72.2	88.0	98.1	93.1
341 à 343	Iron and steel	.	.	.	.
35	Metal manufactures	76.3	80.7	115.7	101.8
36	Non-electrical machinery	77.5	77.6	98.2	101.8
37	Electrical machinery and equipment	79.1	79.0	98.9	91.2
38	Transport equipment	80.2	79.7	86.2	95.6
39	Various processing industries	78.5	80.4	90.0	83.8
2/3	<i>Manufacturing industries</i>	78.3	82.5	100.0	99.6
4	<i>Building and civil engineering</i>	65.7	73.5	65.2	90.3
1-4	<i>Groups 1-4 total</i>	74.3	78.9	98.0	96.0

April 1971-April 1970

Belgium	Luxembourg	Germany	France	Italy	Netherlands	Belgium	Luxembourg
79.0	67.6	12.5	10.8	10.8	16.5	15.4	2.5
		12.0		10.2	16.8	14.4	2.6
73.2	60.8	14.4	11.0	13.5	17.8	13.5	18.2
77.5	78.7	14.4	8.8	12.1	19.4	13.7	15.1
90.1		16.2	10.1	16.1	14.8	16.5	23.9
82.1	—	15.1	10.2	11.5	18.9	14.5	6.2
69.9		14.3	9.3	17.1	16.2	9.0	—
84.4	61.9	13.7	10.3	13.3	15.1	13.6	5.7
88.1	67.3	12.5	8.3	10.9	13.5	15.3	10.3
83.8	67.9	13.7	9.8	17.3	15.3	14.1	6.0

Table 3 — Index of average gross hourly earnings by industrial workers

Country	1964		1965		1966	
	April	Oct.	April	Oct.	April	Oct.
	Extractive					
Germany	100	105	112	115	115	120
France	100	102	106	108	109	112
Italy	100	105	114	115	120	121
Netherlands	100	102	107	109	114	117
Belgium	100	104	108	112	114	120
Luxembourg	100	101	106	114	111	119
	Manufacturing					
Germany	100	106	110	115	120	122
France	100	102	104	108	111	114
Italy	100	106	112	114	119	118
Netherlands	100	104	111	114	119	124
Belgium	100	105	110	113	120	124
Luxembourg	100	101	106	111	111	116
	Building and					
Germany	100	101	109	111	116	117
France	100	105	107	111	113	117
Italy	100	102	103	103	105	105
Netherlands	100	103	110	111	120	123
Belgium	100	107	112	116	119	129
Luxembourg	100	110	112	116	117	122
	All					
Germany	100	105	109	114	119	120
France	100	103	105	109	111	115
Italy	100	108	113	115	119	118
Netherlands	100	104	110	113	119	123
Belgium	100	105	110	113	119	124
Luxembourg	100	100	103	107	109	113

1967		1968		1969		1970		1971
April	Oct.	April	Oct.	April	Oct.	April	Oct.	April

industries

120	123	123	130	128	142	148	160	165
114	116	123	133	135	139	147	155	159
126	127	133	132	141	144	159	190	207
123	123	130	131	142	142	152	157	167
123	126	126	133	137	139	158	173	182
119	118	123	132	133	139	151	161	161

industries

124	126	128	133	139	150	157	169	178
119	122	127	140	146	154	166	173	182
126	124	130	130	140	144	169	180	200
129	133	140	146	157	161	173	183	200
129	132	136	139	148	153	162	170	184
116	117	123	127	132	135	153	153	162

civil engineering

115	117	118	124	132	138	147	164	166
120	125	127	140	145	152	160	168	174
110	109	121	113	120	127	149	154	165
127	130	135	141	150	153	168	175	190
134	136	140	141	149	152	163	175	188
120	123	125	135	144	147	152	168	167

industries

122	124	126	131	137	147	153	166	174
119	122	127	140	145	153	163	171	179
126	124	131	129	140	144	169	179	198
128	132	138	144	155	158	170	180	196
129	131	135	138	146	151	161	170	184
112	114	120	125	130	134	149	152	158

## APPENDIX 4

### Housing

Table 1 — Dwelling completed and proportion of subsidized dwellings

Table 2 — Rent index in the Community countries

Table 3 — Cost trends in building dwellings

Table 4 — Building cost index for dwellings in the Community countries

Table 5 — Gross national product and determination of fixed gross capital in housing

Table 1 — Completed housing and proportion of subsidized dwellings<sup>1</sup>

Country	Dwellings completed	1964	1965	1966	1967	1968	1969	1970	1969 (first 9 months)	1970 (first 9 months)
Belgium	Total number of dwellings	47 300	57 000	38 000	47 000	47 400	57 030	44 000	34 600	31 000 <sup>(*)</sup>
	Number per 1 000 inhabitants	5.0	6.1	3.9	4.9	4.9	5.9	4.8	—	—
	Number of subsidized dwellings	26 300	25 700	21 500	21 000	25 600	29 240	24 700	—	—
	% of total	55.5	45.0	56.6	44.6	53.9	51.3	56.1	—	—
Germany	Total number of dwellings	623 800	591 900	604 800	549 000	519 900	499 700	477 900	195 600	233 400
	Number per 1 000 inhabitants	10.7	10.0	10.1	9.2	8.6	8.2	7.8	—	—
	Number of subsidized dwellings	250 000	228 600	203 500	190 200	179 800	183 200	133 600	—	—
	% of total	40.0	38.6	33.7	34.7	34.5	36.7	28.0	—	—
France	Total number of dwellings	368 800	411 600	414 200	422 500	411 000	427 100	456 300	317 400	330 100
	Number per 1 000 inhabitants	7.6	8.4	8.4	8.5	8.2	8.6	8.9	—	—
	Number of subsidized dwellings	324 500	351 500	328 800	329 500	325 000	330 000	355 000	—	—
	% of total	88.0	85.5	79.4	78.0	79.0	77.3	78.0	—	—
Italy	Total number of dwellings	450 000	373 300	289 300	267 900	271 000	283 100	377 200	229 100	268 000 <sup>(*)</sup>
	Number per 1 000 inhabitants	8.5	7.0	5.4	5.0	5.0	5.2	6.5	—	—
	Number of subsidized dwellings	26 000	35 700	23 600	26 000	26 000	25 000	24 100	—	—
	% of total	5.8	9.5	8.8	9.7	9.6	8.8	6.3	—	—
Luxembourg	Total number of dwellings	2 100	2 400	2 200	1 800	1 900	1 870	1 700	1 300	1 500
	Number per 1 000 inhabitants	6.2	7.3	6.6	5.4	5.8	5.5	5.1	—	—
	Number of subsidized dwellings	600	900	600	700	600	500	700	—	—
	% of total	31.5	37.7	29.3	37.1	29.7	28.4	40.0	—	—
Netherlands	Total number of dwellings	101 000	115 000	121 700	127 400	122 800	123 100	117 300	80 400	92 800
	Number per 1 000 inhabitants	8.3	9.5	9.8	10.2	9.7	9.6	9.0	—	—
	Number of subsidized dwellings	66 100	78 400	87 000	96 000	101 600	104 500	97 100	—	—
	% of total	65.4	68.1	71.5	75.3	82.7	84.9	82.8	—	—
Community	Total number of dwellings	1 593 000	1 553 200	1 470 000	1 415 600	1 374 000	1 391 800	1 474 400	858 400	956 800
	Number per 1 000 inhabitants	8.9	8.5	8.0	7.7	7.4	7.4	7.7	—	—
	Number of subsidized dwellings	693 500	720 800	665 000	663 400	658 600	672 400	635 200	—	—
	% of total	43.5	46.4	45.2	46.9	47.9	48.3	43.0	—	—

<sup>1</sup> Any dwelling, whose cost of construction, purchase or rental is kept at such a level, that it can be rented or purchased by financially less favoured population groups, through financial means made available by public authorities (loans, bonuses, subsidies, low interest rates) is regarded as a subsidized dwelling.

<sup>2</sup> Contrary to the figures for previous years, those from 1968 to 1971 refer to dwellings, whose construction was started.

<sup>3</sup> Provisional figures.

Table 2 — Rent indexes in the Community countries (Luxembourg excluded)

(1958 = 100)

Year	Belgium <sup>1</sup>	Germany	France	Italy	Netherlands
1958	100	100	100	100	100
1959	107	102	114	114	100
1960	108	108	133	125	111
1961	115	118	151	136	115
1962	121	120	163	149	118
1963	123	127	182	163	125
1964	128	135	191	177	132
1965	132	143	210	184	138
1966	140	156	228	192	149
1967	146	167	252	197	155
1968	157	179	273	206	167
1969	163	195	298	216	176
1970	.	203	320	223	185
1971 I	.	209	334	225	191
1971 II	.	210	.	225	191
1971 III	.	211	.	225	191
1971 IV	.	213	340	226	202
1971 V	.	214	.	226	203
1971 VI	.	215	.	226	203
1971 VII	.	216	345	227	203
1971 VIII	.	217	.	227	203
1971 IX	.	218	.	227	204
1971 X	.	219	349	228	204
1971 XI	.	.	.	.	.
1971 XII	.	.	.	.	.

<sup>1</sup> The index refers only to dwellings built through the *Société nationale du logement*.

Source : Statistical Office of the EC.

Table 3 — Cost trends in building dwellings

(variations in % compared with the previous year)

Country	Type of dwelling	1960 <sup>1</sup>	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
Germany	Dwellings of all kinds	+ 6.4	+ 6.9	+ 7.7	+ 4.6	+ 3.9	+ 3.6	+ 3.1	- 2.0	+ 4.4	+ 4.8	+ 14.9
France	Dwellings of all kinds	+ 0.2	+ 1.8	+ 5.2	+ 9.7	+ 6.7	+ 5.6	(+ 2.5)	+ 1.7	+ 4.6	+ 5.7	+ 4.2
Italy	8 storey buildings	+ 5.2	+ 2.5	+ 11.1	+ 16.1	+ 18.8	+ 3.6	+ 0.9	+ 5.5	+ 4.4	+ 7.6	+ 15.8
	6 storey buildings			+ 13.3	+ 13.2	+ 22.1	+ 2.6	+ 0.8	+ 5.2	+ 4.4	+ 5.7	+ 16.5
	Single family dwellings	+ 3.4	+ 3.3	+ 11.0	+ 8.0	+ 30.1	+ 0.3	+ 0.1	+ 5.4	+ 4.3	+ 5.9	+ 15.8
Netherlands	Dwellings built within the compass of the financing laws in force, ( <i>woningwetwoningen</i> ) traditional construction	+ 2	+ 4.9	+ 6.5	+ 6.2	+ 8.3	+ 6.2	+ 5.1	+ 0	+ 6.9	+ 11.2	+ 10.5
Belgium	Subsidized single family dwellings, traditional materials	+ 5.7	+ 4.2	+ 6.0	+ 6.7	+ 11.9	+ 6.7	+ 9.0	+ 6.3	+ 3.1	+ 6.1	+ 13.0
Luxembourg <sup>1</sup>												

<sup>1</sup> Luxembourg's Central Office for Statistics and Economic studies (Statec) is carrying out studies for an official index of building costs.

Sources: Germany: Statistisches Bundesamt, Wiesbaden, France: Ministère de l'équipement et du logement, Paris, Italy: Società Generale Immobiliaria, Rome, and Centro per la Statistica Aziendale, Florence, Netherlands: Centraal Bureau voor de Statistiek, The Hague, Belgium: Confédération nationale de la construction, Brussels.

Table 4 — Building cost index of dwellings in the Community countries

(1958 = 100)

Country	Type of dwelling	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
Germany <sup>1</sup>	Dwellings of all kinds	104.0	110.7	118.3	127.4	133.2	138.4	143.3	147.9	144.9	151.3	158.6	182.2
France <sup>2</sup>	Dwellings of all kinds	102.5	102.7	104.5	109.9	120.6	128.7	135.9	139.3	141.7	148.2	156.6	163.1
Italy <sup>3</sup>	8 storey buildings	100.0	105.2	107.8	119.8	139.1	165.2	171.2	172.7	182.2	190.2	204.7	237.1
Netherlands <sup>4</sup>	Dwellings built within the compass of the financing laws in force, ( <i>woningwetwoningen</i> ) traditional construction	90	101	106	113	120	130	138	145	145	155	172	190
Belgium <sup>5</sup>	Subsidized single family dwellings, traditional materials	99.6	105.2	109.6	116.2	124.0	138.7	148.1	161.4	171.6	177.0	187.0	211.3
Luxembourg <sup>6</sup>													

<sup>1</sup> General index of the cost of building single family houses and blocks of flats, taking into account not only the construction costs but also the incidental expenses such as architect fees and land preparation costs. The basis for the index is 1962. The Saar is included since 1960 and West Berlin since 1966.

<sup>2</sup> Index of dwelling construction cost for the whole of France. Annual indices have been calculated from the quarterly indices. The basis for the index is the fourth quarter of 1953.

<sup>3</sup> Index of the cost of building factors (labour and certain building materials).

<sup>4</sup> Overall index of the building cost itself excluding architect fees, inspection and other incidental charges, costs of central heating and lift installations not included. The basis for the index is 1966.

<sup>5</sup> The basis for the index is the first half of 1939.

<sup>6</sup> Luxembourg's Central Office for Statistics and Economic Studies (Statec) is carrying out studies for an official index of building costs.

Sources: Germany: Statistisches Bundesamt, Wiesbaden: Publication M "Preise, Löhne, Wirtschaftsrechnungen", série 5, "Preise und Preisindizes für Bauwerke und Bauland, I. Maßzahlen für Bauleistungspreise und Preisindizes für Bauwerke".

France: INSEE, Annuaire statistique de la France, 1966, ministère de l'équipement et du logement: bulletin statistique mensuel.

Italy: Società Generale Immobiliaria, Roma: Bollettino mensile "Costi nell'industria edilizia, attività edilizia".

Netherlands: Centraal Bureau voor de Statistiek, Den Haag: Maandstatistiek Bouwnijverheid.

Belgium: Confédération nationale de la construction, Bruxelles.

Table 5 — Gross national product and determination of fixed gross capital in housing

	Year	Belgium	Germany	France	Italy	Netherlands
Fixed gross capital as % of gross national product	1963	20.4	25.8	22.2	23.5	23.4
	1964	21.9	27.0	23.8	21.7	24.9
	1965	21.8	26.6	24.4	18.8	24.5
	1966	22.4	25.7	24.9	18.3	25.7
	1967	22.3	23.1	25.1	19.0	25.7
	1968	21.0	23.1	24.9	19.7	26.3
	1969	20.9	24.2	25.2	20.5	25.2
	1970	21.9	26.6	25.8	21.2	26.3
Fixed gross capital in building, as % of gross national product	1963	11.9	14.6	12.0	13.4	11.7
	1964	13.8	15.7	13.5	13.8	13.7
	1965	13.7	15.3	14.4	12.5	13.6
	1966	13.7	15.0	14.5	11.8	14.3
	1967	14.0	13.4	14.7	12.0	15.0
	1968	13.2	13.3	14.7	12.5	15.5
	1969	12.5	13.1	14.6	13.3	14.6
	1970	13.1	14.4	14.9	13.4	14.7
Fixed gross capital in housing, as % of gross national product	1963	4.8	6.0	5.4	6.9	3.8
	1964	6.7	6.4	6.5	7.5	4.7
	1965	6.9	6.4	7.1	6.5	5.0
	1966	6.2	6.3	7.0	6.0	5.2
	1967	6.1	5.8	6.8	6.0	5.5
	1968	5.6	5.6	6.9	6.4	5.7
	1969	5.4	5.2	6.8	7.2	5.4
	1970	5.7	5.4	6.9	7.0	5.3

Fixed gross capital in housing, as % of total gross fixed capital	1963	23.5	23.3	24.2	29.4	16.3
	1964	30.6	23.9	27.3	34.4	18.7
	1965	31.7	24.0	28.9	34.8	20.3
	1966	27.7	24.4	28.1	32.8	20.3
	1967	27.2	25.3	27.2	31.3	21.4
	1968	26.7	24.1	27.6	32.2	21.5
	1969	26.0	21.5	27.1	35.2	21.2
	1970	26.0	20.5	26.8	33.1	20.2
Fixed gross capital in housing, as % of gross fixed capital in building	1963	40.4	41.3	44.8	51.8	32.6
	1964	48.5	40.9	48.0	54.0	34.1
	1965	50.4	41.7	49.2	52.1	36.6
	1966	45.1	41.9	48.3	50.7	36.4
	1967	43.3	43.5	46.5	49.5	36.6
	1968	42.5	41.8	46.9	50.8	36.6
	1969	43.2	39.6	46.5	53.8	36.7
	1970	43.6	37.8	46.4	52.3	36.2

Source : SOEC.

## APPENDIX 5

### Social Security

- Table 1 — The Social Security Account
- Table 2 — Social security expenditure by systems
- Table 3 — Social security expenditure by type
- Table 4 — Social security benefits by function
- Table 5 — Social security benefits compared with certain elements of national accounting
- Table 6 — Social Security receipts by type
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- Table 8 — Account of old age — invalidity — survival insurance for mining workers
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- Table 10 — Evolution of the total population and the number of persons protected by sickness — maternity insurance (medical care)
- Table 11 — Number of families and children benefiting from family allowances
- Table 12 — Rates and ceilings for subscriptions/contributions applicable to commercial and industrial employees

Every Annual Report on the Development of the Social Situation in the Community issued since 1958 includes<sup>1</sup> a statistical appendix devoted to "Social Security". The appendix provides tables of figures on the number of beneficiaries and on the financial operations carried on by the institutions concerned.

The reader will note that this year the contents of the appendix have been appreciably amended in comparison to previous issues as far as the financial section is concerned. From the methodological standpoint, this recasting must be considered as highly significant. It represents in fact the completion of the task of harmonization, performed over several years, by the Statistical Office of the EC at the request of the General Directorate of Social Affairs of the Commission.

Up to now, the published tables simply collated data transmitted from the countries outlining for each of them the organizational operations which, on a national scale, are traditionally considered as representing Social Security.<sup>2</sup> Even if the summarized presentation of the figures had led one to think so, they did not represent, due to basic structural and institutional divergences between countries, a comparative picture of social protection enjoyed by their populations. Thanks to the efforts of a group of national representatives, a new statistical concept was established, for which an overall framework distinctly more elaborate than the earlier one has been agreed and perfected. This statistical concept is called "Social Accounts".

It is from this concept that the following financial data is derived and which forms the main part of "Insurance and Social Security Systems".

#### *Part I — Financial Data, Tables 1-9*

The tables are split into two groups. The first (Nos. 1-7) deals with the general accounts for social security with some detailed breakdowns.

Receipts and expenditures are first of all broken down by type. Concerning receipts, details of type are shown in Table 1 and Tables 6 and 7 whose headings are:

a) Contributions by employers, namely:

1. Subscriptions (contributions, compulsory or not, paid into social organizations by whoever acts as the employer (the enterprise, administration or household) to guarantee the protection of his personnel against the risks and needs concerned).
2. Benefits (benefits provided directly by the employers for their personnel without passing through the agency of any social organization, in application of compulsory legal or regulatory provisions).

b) Contributions from households, namely:

1. Subscriptions by the wage earner.
2. Subscriptions by the independent worker.
3. Subscriptions by the pensioner or other protected person.
4. Bequests to institutions.

<sup>1</sup> Except for the issue of 1967 which came out in February 1968.

<sup>2</sup> Except for Belgium: excluding national holidays and including industrial accidents.

- c) Contributions from public administrations (central and local), namely:
  1. Earmarked taxation (direct or indirect taxes whose revenue is entirely or partially earmarked for pre-determined social ends).
  2. Miscellaneous contributions (partial bearing of social security expenditure).
- d) Income on capital.
- e) Receipts from transfers between institutions or administrations.
- f) Other receipts.

The types of expenditure are statistically shown in Tables 1 and 3.

Receipts and expenditures are also shown analyzed by system (Tables 2 and 7, respectively).

Finally, social benefits are broken down by function (Table 4). Since this is a new concept, which makes the social accounts somewhat original in nature, some indications are in order so as to avoid possible misunderstanding.

The social security statisticians are wont to distribute over various branches the benefits granted to the recipients. Thus, one speaks of the sickness branch, the old age branch, etc. But statistics established in this sphere are only, like many others, the by-products of a primarily and essentially administrative function. Now this function is always dependent (compulsorily but often irritatingly for statistics readers due to their limitations) on laws and regulations sometimes covering some overall operations involving two or more branches. Double and even triple branches have emerged featuring, sometimes internationally, different combinations following varied legislative developments. This has made direct comparisons impossible between the gross accounting results of the activities of social insurance organizations.

The Community Statistical Office tried to solve the problem by suggesting a functional analysis which would not be hampered by national contingencies.

By agreement, therefore, some functions were extracted whose names were identical with those of branches but which must not raise doubts over the uniformity of their contents between one country and another.

The facts on which such certainty is based confer another advantage. The Statistical Office, while finalizing its new statistics, tried to attain besides truer accounting, another objective which is the coordination of the data in social accounts and the corresponding material included in the national accounts. Thanks to this approach and insofar as the statistics experts have managed to apply fully the jointly adopted agreements, the usual alignment between social expenditure or social benefits and certain elements of national accounting has become much closer and much more easily comparable. Tables 1 and 5 list some results of these comparisons.

As has become the custom, the expenditure was compared with elements of national accounting corresponding to the following equations:

- (i) Gross national product at market prices (PNB) = gross domestic product at market prices + net factor income from abroad;
- (ii) National income (or net product at factor cost) — gross national product at market prices (PNB) less amortization and net indirect taxation of subsidies.

A second group of financial tables is presented (Tables 8 and 9). It concerns data taken out of the general accounts of social security, shown in Table 1, but applying to certain groups of benefit recipients. These groups (mine workers and independent

agricultural workers) point to sectors of activity where currently many economic problems are arising. This is why it seemed of interest to look at them separately, insofar as international comparison was justified; namely: when they were covered by a system and available accounting data allowed a complete breakdown to be made. In other words, there is no mention in these tables of the countries where these people are insured under a general system applied simultaneously either to workers of other economic sectors or to the global population.

## *Part II — The Numbers of Beneficiaries, Tables 10 and 11*

As regards these statistics, international efforts towards harmonization on a Community scale have not yet borne fruit as opposed to the treatment of financial results. For this reason, this part of the annex includes the two usual tables on numbers of sickness insurance beneficiaries (medical care) and the numbers of families and children receiving family allowances.

Because of the significant changes involved in Part I, it would be scarcely justified to approximate, for inter-country comparisons, the tables of numbers and the financial tables. They are quite separate with no connection other than coming from the same source.

The following comments will allow a truer interpretation of the contents of the tables:

### a) Table 10:

1. By total population is meant the resident or regular population, including inhabitants who have established their regular residence in the area.
2. By protected population is meant the insureds and their lawful claimants within the framework of sickness-maternity insurance (medical care) for all systems or funds for compulsory or voluntary insurance. These figures are generally the result of estimates.
3. As regards reference dates, the data on protected population for Germany, Belgium and France refer to 30 June. The data relative to total population correspond to the arithmetical average of population figures from 31 December of the year concerned to 31 December of the previous year, except for Germany where the yearly average was computed from estimates at the end of each month. As regards Italy, Luxembourg and the Netherlands, both sets are taken at 31 December of the year in question, thus the closest parallels.
4. There are gaps in the series referring to the number of protected persons due to the following modifications: In Belgium (1965): compulsory medical care insurance was extended to personnel in the public sector (Royal Decree of 22 March 1965) with effect from 1 April. In France (1962): The number of subscribers under the general social security system for non-agricultural trades was subject to an adjustment allowing for the results of the general population census taken in March. The figures for the year 1962 and onwards can no longer be compared with earlier years, the number of compulsory subscribers having increased by about 900 000 due to this revision.

In France (1964): The right to benefits in kind from sickness insurance was extended to those entitled to the allowance for older wage earners and to the mothers allowance (Art. 71 of the budget law of 1964).

b) Table 11:

1. The "inventory" is taken at 30 June, except for Italy and Luxembourg (and from 1964 for Germany) where it is taken at 31 December.
2. In Germany, the figures concern families with two or more children; separate figures for wage earners and non-wage earners are not available.
3. In the Netherlands, in 1962 the figures covering non-wage earners only apply to independent workers with modest incomes; from 1963 they cover all independent (3 or more children).

Table 1 — The Social Security Account :  
a) Receipts

(in millions of national monetary units)<sup>1</sup>

Country	Year	Receipts					
		Contributions			Income on capital	Other receipts	Total receipts excluding transfers between institutions
		From employers	From households	From public administrations (State and Local)			
1	2	3	4	5	6		
Germany	1962	29 630	15 609	7 969	1 379	308	54 895
	1965	37 359	20 847	13 350	2 103	355	74 014
	1967	42 996	23 920	15 215	2 904	579	85 614
	1968	46 554	27 185	15 078	2 914	645	92 376
	1969	53 057	31 693	15 863	2 830	523	103 966
	1970	66 185	36 449	16 688	2 988	541	122 851
France	1962	35 772	10 564	3 538	374	679	50 927
	1965	52 208	16 165	4 798	573	1 094	74 838
	1967	62 583	20 701	9 204	891	1 468	94 847
	1968	71 170	23 279	7 221	1 037	1 682	104 389
	1969	82 330	28 015	8 425	1 097	1 965	121 832
	1970	92 131	31 054	9 150	1 244	2 082	135 661
Italy	1962	2 605.92	514.04	274.58	91.20	108.87	3 594.61
	1965	3 799.43	831.33	1 041.58	170.12	148.26	5 990.72
	1967	4 515.44	1 111.43	644.28	229.25	179.18	6 679.58
	1968	5 214.80	1 291.64	869.86	268.55	229.28	7 874.13
	1969	5 471.56	1 350.98	1 545.94	287.54	292.63	8 948.65
	1970	6 196.64	1 526.60	1 477.55	314.44	364.71	9 879.94
Netherlands	1962	3 433.4	2 870.7	730.2	674.6	42.0	7 750.9
	1965	5 935.1	5 597.4	985.8	986.5	35.0	13 539.8
	1967	8 302.4	7 111.0	1 084.8	1 351.3	146.0	17 995.5
	1968	9 596.5	8 225.6	1 526.5	1 594.4	242.0	21 185.0
	1969	11 251.9	9 410.1	1 728.7	1 966.0	—	24 356.7
	1970	12 811.7	10 812.7	1 757.7	2 285.5	—	27 667.6
Belgium	1962	46 485	20 529	18 470	4 651	560	90 695
	1965	69 527	30 235	27 620	5 366	1 013	133 761
	1967	83 241	36 356	35 068	7 108	444	162 217
	1968	90 404	39 820	38 788	7 444	2 012	178 468
	1969	102 739	43 234	39 583	8 110	1 529	195 195
	1970	113 957	50 506	42 781	8 743	348	216 335
Luxembourg	1962	2 138.5	894.1	977.1	386.4	28.2	4 424.3
	1965	2 460.4	1 461.6	1 543.2	495.5	25.0	5 985.7
	1967	2 642.4	1 550.3	1 901.2	580.6	38.4	6 712.9
	1968	2 870.1	1 674.8	1 992.0	635.4	23.3	7 195.6
	1969	3 094.8	1 864.3	2 071.5	754.1	33.7	7 818.4
	1970						

<sup>1</sup> Except Italy (thousand millions Lire).

Table 1 (cont.) — The Social Security Account :

b) Expenditure and comparison with the net national income and the gross national product at market prices.

*(in millions of national monetary units)<sup>1</sup>*

Country	Year	Expenditure				Total expenditure (excluding transfers)	
		Social Benefits	Admin. Expenses	Other Expenses	Total expenditure excluding transfers	% of net national income	% of gross national product at market prices
		1	2	3	4	5	6
Germany	1962	49 373	2 388	551	52 312	18.9	14.5
	1965	66 934	3 091	667	70 692	19.9	15.4
	1967	81 985	3 648	921	86 554	23.0	17.5
	1968	88 465	3 766	765	92 996	22.3	17.2
	1969	99 007	3 509	509	103 025	22.4	17.1
	1970	111 329	4 588	1 369	117 286	22.3	17.2
France	1962	45 439	1 710	1 763	48 912	17.6	13.3
	1965	69 120	2 470	2 551	74 141	20.2	15.1
	1967	84 408	3 403	3 879	91 690	21.2	16.0
	1968	94 499	3 962	2 897	101 358	21.0	16.1
	1969	108 141	4 848	3 333	116 322	20.8	15.9
	1970	121 879	5 492	3 715	131 086	20.8	16.0
Italy	1962	3 071.51	157.23	29.68	3 258.42	14.8	11.9
	1965	5 241.52	224.01	84.52	5 550.05	18.7	15.1
	1967	6 322.98	366.15	182.72	6 871.25	19.4	15.7
	1968	7 096.50	392.62	265.45	7 754.57	20.2	16.4
	1969	7 924.31	391.05	361.77	8 677.13	20.4	16.6
	1970	8 762.75	447.37	439.57	9 649.69	20.5	16.6
Netherlands	1962	5 666.2	261.5	—	5 927.7	15.0	12.2
	1965	10 227.1	397.7	—	10 624.8	18.7	15.3
	1967	13 496.0	515.9	29.1	14 041.0	20.7	16.9
	1968	15 512.5	536.3	17.6	16 066.4	21.6	17.5
	1969	18 199.3	626.4	11.9	18 837.6	22.4	18.4
	1970	20 875.0	701.9	8.1	21 585.0	23.5	19.1
Belgium	1962	81 979	4 145	954	87 078	16.9	13.4
	1965	115 622	6 438	1 533	123 593	18.3	14.6
	1967	141 074	7 690	1 575	150 339	19.6	15.4
	1968	162 347	8 247	1 336	171 930	21.0	16.5
	1969	176 633	9 346	1 922	187 901	20.7	16.3
	1970	195 707	10 343	1 044	207 094	20.3	16.1
Luxembourg	1962	3 467.1	114.7	15.3	3 597.1	17.7	13.9
	1965	5 029.8	168.2	19.4	5 217.4	20.3	15.8
	1967	6 082.1	197.0	26.7	6 305.8	23.3	17.8
	1968	6 466.2	209.8	70.2	6 746.2	23.1	17.4
	1969	7 047.7	216.9	68.4	7 333.0	22.0	16.5
	1970						

<sup>1</sup> Except for Italy (thousand millions of Lire).

Table 2 — Social Security expenditure by system

(as % of total expenditure excluding transfers between institutions)

Systems	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg
I. General Systems	1962	75	49	68	66	66	74
	1965	74	49	70	72	70	78
	1967	75	49	69	73	74	81
	1968	76	47	68	74	75	79
	1969	75	48	69	74	76	80
	1970	77	48	70	74	78	
II. Special Systems	1962	6	17	14	2	7	—
	1965	6	17	14	1	5	—
	1967	6	17	16	0	2	—
	1968	6	17	17	0	2	—
	1969	6	17	17	1	2	—
	1970	5	17	18	1	2	—
III. Statutory Systems	1962	18	25	18	19	22	26
	1965	18	24	16	16	19	22
	1967	16	23	15	16	18	19
	1968	16	24	15	16	18	19
	1969	17	23	14	15	17	19
	1970	17	22	12	15	16	
IV. Supplementary Systems	1962	1	6	0	8	1	0
	1965	2	7	0	6	2	0
	1967	3	8	0	6	2	0
	1968	2	9	0	5	2	1
	1969	2	9	0	5	2	1
	1970	1	9	0	5	2	
V. Voluntary Systems	1962	—	3	0	5	4	0
	1965	—	3	0	5	4	0
	1967	—	3	0	5	4	0
	1968	—	3	0	5	3	1
	1969	—	3	0	5	3	0
	1970	—	4	0	5	2	
VI. Total Social Security Expenditure excluding transfers between institutions	1962	100	100	100	100	100	100
	1965	100	100	100	100	100	100
	1967	100	100	100	100	100	100
	1968	100	100	100	100	100	100
	1969	100	100	100	100	100	100
	1970	100	100	100	100	100	100

Table 3 — Social Security expenditure by type

(as % of total expenditure excluding transfers between institutions)

Type of expenditure	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg
1. Social Benefits	1962	94	93	94	96	94	96
	1965	95	93	94	96	94	96
	1968	95	93	92	97	94	96
	1970	95	93	91	97	94	
a) Cash allowances paid periodically	1962	77	73	73	81	82	82
	1965	76	71	72	83	75	82
	1968	75	70	67	78	76	80
	1970	75	68	66	76	74	
c) Cash allowances paid as lump sum	1962	1	0	1	—	0	1
	1965	1	0	1	—	0	1
	1968	1	1	3	0	1	2
	1970	1	0	3	0	1	
d) Refunds in cash for goods and services.	1962	—	20	2	0	11	5
	1965	—	22	1	0	17	5
	1968	—	22	2	1	14	6
	1970	0	25	1	1	16	
e) Value of goods and services in kind	1962	16	0	18	15	1	8
	1965	18	0	20	13	2	8
	1968	19	0	20	18	3	8
	1970	19	0	21	20	3	
2. Administration Expenses	1962	5	4	5	4	5	3
	1965	4	4	4	4	5	3
	1968	4	4	5	3	5	3
	1970	4	4	5	3	5	
3. Other Expenditure	1962	1	3	1	—	1	1
	1965	1	3	2	—	1	1
	1968	1	3	3	0	1	1
	1970	1	3	4	0	1	
4. Total Social Security expenditure excluding transfers between institutions	1962	100	100	100	100	100	100
	1965	100	100	100	100	100	100
	1968	100	100	100	100	100	100
	1970	100	100	100	100	100	100

Table 4 — Social Security Benefits by function  
(as % of total social security benefits)

Functions	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg
1. Sickness	1962	30	24	21	28	15	16
	1965	29	25	23	26	22	16
	1968	29	26	24	31	20	16
	1970	33	29	25	33	22	
2. Old age, Death, Survival	1962	48	39	38	50	47	(1) 60
	1965	49	41	41	50	42	(2) 62
	1968	51	44	41	44	41	(3) 63
	1970	49	43	41	43	42	
3. Invalidity	1962	7	2	9	2	6	(4) .
	1965	6	2	12	5	6	(5) .
	1968	5	1	12	8	5	(6) .
	1970	5	1	14	9	5	
4. Industrial Injuries, Occupational Diseases	1962	5	5	3	2	4	9
	1965	5	5	3	2	3	8
	1968	5	5	4	—	5	8
	1970	4	5	4	—	5	
5. Unemployment	1962	1	0	3	3	5	—
	1965	1	1	2	2	5	—
	1968	2	1	1	3	7	
	1970	1	1	1	2	5	
6. Family charges : a) Maternity	1962	2	1	1	0	0	1
	1965	1	1	1	0	0	0
	1968	1	1	1	0	0	0
	1970	1	1	1	0	0	
b) Family benefits	1962	6	29	24	15	23	14
	1965	8	25	18	15	22	14
	1968	6	22	16	14	22	13
	1970	6	20	13	13	21	
7. Various	1962	1	—	1	—	0	—
	1965	1	—	0	—	0	—
	1968	1	—	1	—	0	—
	1970	1	—	1	—	0	
8. Total of Social Security Benefits	1962	100	100	100	100	100	100
	1965	100	100	100	100	100	100
	1968	100	100	100	100	100	100
	1970	100	100	100	100	100	100

\* Invalidity not separable from old age.

Table 5 — Social Security Benefits compared with certain elements of national accounting

a) as % of net national revenue

Function	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg
1. Sickness	1962	5.3	4.0	2.9	4.0	2.4	2.7
	1965	5.5	4.8	4.0	4.7	3.8	3.2
	1968	6.3	5.1	4.5	6.4	4.1	3.5
	1970	6.9	5.6	4.7	7.5	4.3	.
2. Old age, Death, Survival	1962	8.6	6.3	5.3	7.2	7.4	10.3
	1965	9.2	7.6	7.3	8.9	7.1	12.1
	1968	10.7	8.6	7.6	9.3	8.2	13.9
	1970	10.5	8.4	7.7	9.7	8.0	.
3. Invalidity	1962	1.3	0.3	1.2	0.2	1.0	— <sup>(1)</sup>
	1965	1.1	0.4	2.1	0.9	1.0	—
	1968	1.2	0.3	2.2	1.6	1.0	—
	1970	1.0	0.3	2.6	2.0	0.9	.
4. Industrial Injuries Occupational Diseases	1962	0.9	0.8	0.5	0.3	0.6	1.6
	1965	1.0	1.0	0.6	0.3	0.6	1.5
	1968	1.0	0.9	0.8	—	0.9	1.7
	1970	0.8	0.9	0.8	—	0.9	.
5. Unemployment	1962	0.2	0.1	0.4	0.4	0.9	—
	1965	0.2	0.1	0.4	0.4	0.8	—
	1968	0.3	0.2	0.3	0.5	1.3	—
	1970	0.3	0.1	0.2	0.6	0.9	.
6. Family charges : a) Maternity	1962	0.3	0.2	0.1	0.0	0.1	0.1
	1965	0.3	0.2	0.2	0.0	0.1	0.1
	1968	0.3	0.2	0.1	0.1	0.1	0.1
	1970	0.2	0.2	0.1	0.1	0.1	.
b) Family benefits	1962	1.1	4.7	3.4	2.2	3.5	2.4
	1965	1.4	4.7	3.1	2.8	3.7	2.7
	1968	1.2	4.3	2.9	2.9	4.2	2.9
	1970	1.3	3.8	2.4	2.9	4.0	.
7. Various	1962	0.1	—	0.2	—	0.0	—
	1965	0.1	—	0.0	—	0.0	—
	1968	0.2	—	0.1	—	0.0	—
	1970	0.1	—	0.1	—	0.1	.
8. Total Social Security Benefits	1962	17.8	16.4	14.0	14.3	15.9	17.1
	1965	18.8	18.8	17.7	18.0	17.1	19.6
	1968	21.2	19.6	18.5	20.8	19.8	22.1
	1970	21.1	19.3	18.6	22.8	19.2	.

<sup>1</sup> Invalidity not separable from old age.

Table 5 (cont.) — Social Security Benefits compared with certain elements of national accounting

b) as % of net disposable income of households

Function	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg
1. Sickness	1962	6.0	4.3	3.1	4.9	2.6	3.1
	1965	6.1	5.2	4.3	5.7	4.0	3.7
	1968	6.9	5.7	4.9	7.9	4.3	3.9
	1970	7.8	6.3	4.9	9.4	4.7	
2. Old age, Death, Survival	1962	9.7	6.9	5.7	8.8	7.8	11.6
	1965	10.1	8.3	7.7	10.7	7.6	13.8
	1968	11.8	9.5	8.2	11.3	8.8	15.3
	1970	11.9	9.5	8.1	12.2	8.8	
3. Invalidity	1962	1.4	0.3	1.3	0.3	1.0	( <sup>1</sup> )
	1965	1.2	0.4	2.2	1.1	1.0	( <sup>1</sup> )
	1968	1.3	0.3	2.4	2.0	1.1	( <sup>1</sup> )
	1970	1.2	0.3	2.7	2.5	1.0	( <sup>1</sup> )
4. Industrial Injuries, Occupational Diseases	1962	1.0	0.9	0.5	0.4	0.7	1.7
	1965	1.1	1.1	0.6	0.4	0.7	1.7
	1968	1.1	1.0	0.8	—	1.0	1.8
	1970	0.9	1.0	0.8	—	1.0	
5. Unemployment	1962	0.3	0.1	0.5	0.5	0.9	—
	1965	0.2	0.1	0.4	0.5	0.9	—
	1968	0.4	0.2	0.3	0.7	1.4	—
	1970	0.4	0.2	0.2	0.7	1.1	
6. Family charges : a) Maternity	1962	0.3	0.2	0.1	0.0	0.1	0.1
	1965	0.3	0.2	0.2	0.0	0.1	0.1
	1968	0.3	0.2	0.1	0.1	0.1	0.1
	1970	0.3	0.2	0.1	0.1	0.1	
b) Family benefits	1962	1.3	5.1	3.6	2.6	3.7	2.7
	1965	1.6	5.2	3.3	3.4	3.9	3.1
	1968	1.3	4.8	3.2	3.5	4.5	3.2
	1970	1.4	4.4	2.6	3.6	4.4	
7. Various	1962	0.1	—	0.2	—	0.0	—
	1965	0.2	—	0.1	—	0.0	—
	1968	0.2	—	0.1	—	0.0	—
	1970	0.1	—	0.2	—	0.0	
8. Total Social Security Benefits	1962	20.1	17.8	15.0	17.5	16.8	19.2
	1965	20.8	20.5	18.8	21.8	18.2	22.4
	1968	23.3	21.7	20.0	25.5	21.2	24.3
	1970	24.0	21.9	19.6	28.5	21.1	

<sup>1</sup> Invalidity is not separable from old age.

Table 6 — Social Security Receipts by type

(as % of total receipts excluding transfers between institutions)

Type of Receipts	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg
1. Employer's Contribution	1962	54	70	72	44	51	48
	1965	50	70	64	44	52	41
	1968	50	68	66	46	51	40
	1970	54	68	63	47	53	
a) Subscriptions	1962	30	56	57	39	40	32
	1965	28	56	50	38	42	31
	1968	28	55	56	40	41	30
	1970	29	56	53	42	43	
b) Direct benefits	1962	24	14	15	5	11	16
	1965	22	14	14	6	10	10
	1968	22	13	10	6	10	10
	1970	25	12	10	5	10	
2. Insuree's Subscriptions	1962	28	21	14	37	23	20
	1965	28	22	14	42	22	24
	1968	30	22	17	39	22	23
	1970	30	23	15	39	23	
a) Wage earning	1962	.	17	12	29	17	17
	1965	.	17	12	35	17	20
	1968	.	17	13	32	17	19
	1970	.	17	12	32	18	
b) Non-wage-earning	1962	.	4	2	8	6	3
	1965	.	5	2	7	5	4
	1968	.	5	4	7	5	4
	1970	.	6	3	7	5	
3. Public Authorities' Contributions (State and local)	1962	15	7	8	9	20	22
	1965	18	6	17	7	21	26
	1968	16	7	11	6	22	28
	1970	14	7	15	6	20	
4. Income on capital	1962	2	1	3	9	5	9
	1965	3	1	3	7	4	8
	1968	3	1	3	8	4	9
	1970	2	1	3	8	4	
5. Other receipts	1962	1	1	3	1	1	1
	1965	1	1	2	0	1	1
	1968	1	2	3	1	1	0
	1970	0	1	4	—	0	
6. Total receipts excluding transfers between institutions	1962	100	100	100	100	100	100
	1965	100	100	100	100	100	100
	1968	100	100	100	100	100	100
	1970	100	100	100	100	100	100

Table 7 — Social Security Receipts by type and by system (1970)

(as % of total receipts excluding transfers between institutions)

Type of Receipts	Germany	France	Italy	Netherlands	Belgium	Luxembourg
<b>I. General Systems</b>						
1. Employers Subscriptions	35	78	66	41	50	.
2. Employers Direct Benefits	14	—	—	1	—	.
3. Wage earners Subscriptions	37	17	12	43	21	.
4. Non-wage earners Subscr.	—	2	0	7	5	.
5. Contr. from public author.	12	1	16	6	20	.
6. Income on capital	2	0	2	2	4	.
7. Other	0	2	4	—	0	.
8. Total	100	100	100	100	100	100
<b>II. Special Systems</b>						
1. Employers Subscriptions	14	13	41	88	2	.
2. Employers Direct Benefits	—	1	—	—	—	.
3. Wage earners Subscriptions	8	5	14	4	2	.
4. Non-wage earners Subscr.	4	32	18	—	—	.
5. Contr. from public author.	73	45	15	—	80	.
6. Income on capital	1	2	8	8	16	.
7. Other	0	2	4	—	0	.
8. Total	100	100	100	100	100	100
<b>III. Statutory Systems</b>						
1. Employers Subscriptions	—	31	7	41	16	.
2. Employers Direct Benefits	93	54	72	19	61	.
3. Wage earners Subscriptions	—	11	8	17	14	.
4. Non-wage earners Subscr.	—	—	—	—	—	.
5. Contr. from public author.	7	3	13	8	9	.
6. Income on capital	—	1	0	15	0	.
7. Other	—	0	0	—	0	.
8. Total	100	100	100	100	100	100
<b>IV. Supplementary Systems</b>						
1. Employers Subscriptions	43	62	27	52	96	.
2. Employers Direct Benefits	—	—	1	—	—	.
3. Wage earners Subscriptions	17	33	39	17	—	.
4. Non-wage earners Subscr.	1	—	—	—	—	.
5. Contr. from public authorit.	3	0	3	3	—	.
6. Income on capital	34	5	23	28	4	.
7. Other	2	0	7	—	—	.
8. Total	100	100	100	100	100	100
<b>V. Voluntary Systems</b>						
1. Employers Subscriptions	—	20	1	—	10	.
2. Employers Direct Benefits	—	—	—	—	—	.
3. Wage earners Subscriptions	—	66	4	2	42	.
4. Non-wage earners Subscr.	—	8	42	76	—	.
5. Contr. from public authorit.	—	1	—	22	36	.
6. Income on capital	—	1	46	—	9	.
7. Other	—	4	7	—	3	.
8. Total	100	100	100	100	100	100

Table 8 — Account of old-age invalidity survival of mining workers

## a) Receipts

*(in millions of national monetary units)*

Country	Year	Receipts					
		Contributions			Income on Capital	Other Receipts	Total of Receipts excluding transfer between institutions
		From the employer	From house holds	From Public Administrations (State and local)			
		1	2	3	4	5	6
Germany	1962	692	395	1 541	29	1	2 658
	1965	601	437	2 355	34	0	3 427
	1967	496	363	3 114	31	6	4 010
	1968	498	428	3 187	30	1	4 144
	1969	659	463	3 296	28	2	4 448
	1970	786	444	3 409	30	8	4 677
France	1962	271	172	461	—	12	916
	1965	158	150	569	—	9	886
	1967	159	150	638	—	6	953
	1968	172	148	900	5	19	1 244
	1969	158	152	973	—	20	1 303
	1970	370	136	577	3	26	1 112
Italy	1962	644	123	—	56	10	833
	1965	700	350	—	101	68	1 219
	1967	635	318	—	117	10	1 080
	1968	682	341	—	134	25	1 182
	1969	685	343	—	180	39	1 247
	1970	700	350	—	242	73	1 365
Netherlands	1962	24	25	11	36	—	96
	1965	17	14	32	47	—	110
	1967	17	14	32	54	—	117
	1968	16	14	32	57	—	119
	1969	15	13	32	65	—	125
	1970	14	12	32	73	—	131
Belgium	1962	510	392	4 825	264	12	6 003
	1965	543	418	5 595	343	0	6 899
	1967 <sup>(1)</sup>	65	75	3 235	330	1	3 706
	1968	61	74	2 985	335	444	3 899
	1969	55	76	2 578	334	433	3 476
	1970	55	78	3 430	346	3	3 912

<sup>1</sup> For old-age insurance, mining workers were affiliated to the single pension system for wage earners.

Table 8 (cont.) — Account of old-age invalidity survival insurance of mining workers

b) Expenditure

(in millions of national monetary units)

Country	Year	Expenditure			
		Social Benefits	Administrative Expenses	Other Expenditure	Total Expenditure excluding transfers between institutions
		1	2	3	4
Germany	1962	2 735	45	24	2 804
	1965	3 582	50	16	3 648
	1967	4 358	52	18	4 428
	1968	4 741	50	4	4 795
	1969	5 087	57	7	5 151
	1970	5 277	65	6	5 348
France	1962	758	14	14	786
	1965	1 058	15	15	1 088
	1967	1 194	17	81	1 292
	1968	1 394	20	28	1 442
	1969	1 445	23	52	1 520
	1970	1 611	80	21	1 712
Italy	1962	870	24	3	897
	1965	1 110	108	7	1 225
	1967	1 247	74	34	1 355
	1968	1 369	78	280	1 727
	1969	1 806	79	13	1 898
	1970	2 000	83	22	2 105
Netherlands	1962	40	3	—	43
	1965	47	5	—	52
	1967	60	5	—	65
	1968	69	4	—	73
	1969	73	5	—	78
	1970	79	5	—	84
Belgium	1962	5 613	56	16	5 685
	1965	6 590	72	10	6 672
	1967 <sup>(1)</sup>	3 194	44	5	3 243
	1968	3 405	62	4	3 471
	1969	3 235	71	6	3 312
	1970	3 490	74	110	3 674

<sup>1</sup> See note <sup>1</sup> of table 8 a.

Table 9 — Account of systems applying to independent agricultural workers :  
Expenditure

Country	Year	Benefits		
		Sickness	Old age, Death, Survival	Invalidity
		1	2	3
Germany	1962	0	145	—
	1965	0	366	13
	1967	9	518	36
	1968	16	526	41
	1969	23	598	54
	1970	33	630	65
France	1962	512	887	1
	1965	1 015	1 890	34
	1967	1 293	2 537	63
	1968	1 445	3 033	—
	1969	1 777	3 366	46
	1970	2 128	3 755	60
Italy <sup>2</sup>	1962	27.8	60.2	6.1
	1965	49.2	7.2	15.5
	1967	70.0	6.4	13.0
	1968	84.0	18.3	23.8
	1969	93.4	67.8	88.0
	1970	108.7	78.9	102.4
Luxembourg	1962	—	16.3	—
	1965	35.1	88.4	—
	1967	37.5	105.8	—
	1968	41.2	115.3	—
	1969	46.1	123.1	—
	1970	—	—	—

<sup>1</sup> Except for Italy (thousand million Lire).

<sup>2</sup> From 1965, the creation of the Social Fund had an appreciable effect on the special administration for Italian farmers.

<sup>3</sup> The difference between the sum of the numbers in cols. 1 and 4 and the total is due to the fact that the total includes benefits paid out under the function "political events" etc.

(in millions of national monetary units)<sup>1</sup>

Prestations		Administrative Expenses	Other Expenditure	Total expenditure excluding transfers between institutions
Family charges	Total			
4	5	6	7	8
30	175	8	0	183
95	474	14	0	488
117	680	21	0	701
119	702	21	0	723
137	812	22	1	835
152	880	28	0	908
994	2 394	86	19	2 499
1 493	4 432	285	69	4 786
1 586	5 479	388	41	5 908
1 645	6 123	440	69	6 632
1 743	6 932	625	38	7 595
1 786	7 729	679	20	8 428
2.2	96.3	5.8	3.3	105.4
0.4	72.3	8.8	3.6	84.7
2.8	92.2	24.2	4.7	121.1
3.3	132.0 <sup>(*)</sup>	26.0	4.5	162.5
	251.7 <sup>(*)</sup>	26.0	2.9	280.6
	292.9 <sup>(*)</sup>	28.6	9.9	331.4
—	16.3	1.5	—	17.8
1.0	124.5	4.6	—	129.1
0.9	144.2	4.9	—	149.1
0.8	157.3	4.9	—	162.2
0.8	170.0	5.2	—	175.2

Table 10 — Evolution of the total population and the number of persons protected by sickness-maternity insurance (medical care)

	Year	Germany	France	Italy	Netherlands <sup>1</sup>	Belgium	Luxembourg
Total population (thousands)	1962	56 938	46 998	51 189	11 890	9 920	322.7
	1965	59 012	48 758	52 931	12 377	9 463	333.0
	1967	59 873	49 548	53 656	12 661	9 581	335.0
	1968	60 184	49 914	53 940	12 798	9 619	336.5
	1969	60 848	50 315	54 304	12 958	9 660	338.5
	1970	61 566	50 764	54 683	13 119	9 684	339.8
Persons protected (thousands)	1962	49 000	39 760	43 212	9 150	6 962	274.7
	1965	51 542	43 070	43 929	9 350	8 578	325.3
	1967	52 511	44 090	45 658	9 600	9 107	328.9
	1968	52 982	44 790	46 798	9 720	9 178	239.3
	1969	53 710	48 825	47 740	9 736	9 551	332.3
	1970	55 000	49 840	48 749	9 900	9 587	336.1
% of persons protected in proportion to total population	1962	86.1	84.6	84.4	76.9	75.5	85.1
	1965	87.3	88.3	83.0	75.5	90.6	97.7
	1967	87.7	89.0	85.1	75.8	95.1	89.2
	1968	88.0	89.7	86.8	75.9	95.4	97.9
	1969	88.3	97.0	87.9	75.1	98.9	98.2
	1970	89.3	98.2	89.1	75.5	99.0	98.9

<sup>1</sup> Protection against "petty risk" only. Against serious medical risk the entire resident population is covered.

Table 11 — The number of families and children benefiting from family allowances  
Comparison with the total population under age 20

	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg
Wage earning							
Number of families receiving allowances (in thousands)	1962	.	4 302	4 838	1 162	784	43.1
	1965	2 171	4 487	5 066	1 425	835	46.5
	1967	2 051	4 561	5 811	1 489	852	45.9
	1968	2 059	4 606	5 848	1 519	854	45.8
	1969	2 086	4 685	5 646	1 557	866	47.0
	1970	2 087	4 787	5 756	1 602	883	48.7
Non-wage earning							
Number of families receiving allowances (in thousands)	1962	.	758	.	5	242	9.3
	1965	.	913	.	180	238	9.2
	1967	.	906	592	189	240	9.2
	1968	.	897	577	189	221	9.2
	1969	.	899	560	193	228	9.0
	1970	.	886	568	187	231	8.9
Wage earning							
Number of children covered by allowances (in thousands)	1962	3 935	10 586	7 383	2 834	1 565	78.0
	1965	4 827	11 133	7 699	3 389	1 711	86.3
	1967	4 774	11 270	8 795	3 540	1 754	85.0
	1968	4 872	11 394	8 960	3 592	1 759	85.4
	1969	4 998	11 587	8 611	3 677	1 776	88.0
	1970	5 071	11 794	8 773	3 776	1 799	91.4
Non-wage earning							
Number of children covered by allowances (in thousands)	1962	.	2 171	.	12	490	17.9
	1965	.	2 353	.	426	493	17.9
	1967	.	2 327	1 081	460	502	18.5
	1968	.	2 297	1 057	455	471	18.5
	1969	.	2 259	1 033	455	487	18.2
	1970	.	2 259	1 046	437	493	18.0
Total number of children covered by allowances as % of the number of youngsters under age 20	1962	24	81	45	63	73	100
	1965	28	81	45	82	74	100
	1967	27	81	57	86	74	100
	1968	27	82	59	87	74	100
	1969	27	83	.	89	75	100
	1970	.	84	.	90	77	100

Table 12 — Contribution rates and ceilings applicable to industrial and commercial employees at 1 January 1972

	Germany		Belgium		France	
	Rate %	Ceiling	Rate %	Ceiling	Rate %	Ceiling
Sickness and maternity	Average : 8 Ee : 50 Er : 50	DM 18.900	5.75 (a) + 3.— (b) Ee : 2.— + 1.20 Er : 3.75 + 1.80	306 600 Bfrs. (a) 185 400 Bfrs. (b)	15.95 Ee : 3.50 Er : 12.45	21 960 FF
Invalidity	17	DM 25 200	14 Ee : 6 Er : 8		8.75 Ee : 3 Er : 5.75	21 960 FF
Old-age and survivors	Ee : 50 Er : 50					
Industrial injuries and occupational diseases	Collective rates according to degree of risks in the various occupational branches. Contribution fixed by the trade cooperative associations and calculated on the basis of the total gross earnings, low earnings having been brought into line with the average adult earnings for the area. Ceiling : DM 36 000 or more.		Insurance premiums or employers contributions are fixed by contract for industrial injuries. Contribution to the Occupational Diseases Fund : 0.75% for all employers (ceiling 185 400 Bfrs.)		Collective, individual or mixed rates according to number employed in the concern and degree of risk. Contribution assessed on total of gross earnings, with ceiling of 21 960 FF.	
Family allowances	—	—	Er : 10.50	185 400 Bfrs.	Er : 10.50	21 960 FF
Unemployment	1.70 Ee : 50 Er : 50	DM 25 200	2.90 Ee : 1.20 Er : 1.70	185 400 Bfrs.	0.40 Ee : 0.08 Er : 0.32	90 120 FF
Note :	Sickness : The rate varies according to the regulations of the fund concerned.		Sickness : a = benefits in kind b = cash benefits		Unemployment : System under the collective agreement of 31 December 1958, made generally applicable by the ordinance of 31 July 1967. Sickness : A further contribution of 3% is levied on car insurance premiums.	

Italy		Luxembourg		Netherlands		
Rate %	Ceiling	Rate %	Ceiling	Rate %	Ceiling	
14.61 Ee: 0.15 Er: 14.46	—	6 Ee: 4 Er: 2	255 500 Lfrs. (700 Lfrs pe day)	8.20 (a) 2.— (b) 7.30 (c) Ee: 4.11 + 1 Er: 4.10 + 2 + 6.30	(a) 15 860 Fl. (b) 21 150 Fl. (c) 28 080 Fl.	Sickness and maternity
19.0 Ee: 6.35 Er: 12.65 (Er: 0.1 to 0.2)	—	14  Ee: 50 Er: 50	—	5.40 Er: 4.05 Ee: 1.35	28 080 Fl.	Invalidity
				Ee: 10.30 (old age) 1.60 (survivors')	21 150 Fl.	Old-age and survivors'
Collective rates based on degree of risks in the various occupational branches. The rate, varying between 3% and 5% (average 3.9%), is calculated on total earnings. Also an additional contribution equal to 20% of social security contributions.		Collective rates based on a scale of risks. Contribution fixed by the insurance association and calculated on total gross earnings, with a minimum equal to the minimum earnings of an adult manual worker.		See invalidity		Industrial injuries and occupational diseases
Er: 15	1 200 000 Lit	Er: 3.25	—	Er: 5.10	21 150 Fl.	Family allowances
Er: 2.30	—	—	—	0.6 (a) + 0.4 (b) Ee: 50 Er: 50	28 080 Fl.	Unem- ployment
Sickness: including 3.80% pensioners sickness insurance, 2% tuberculosis and 0.58% agricultural solidarity. Old age: including 0.15% (Er) for assistance to orphans, but not including basic contribution (0.1-0.2%). Family allowances: the ceiling for commerce is fixed at Lit. 130 000. Unemployment: not including 1.2% in industry for supplementary earnings, (ceiling as for family allowances).		Family allowances: rate applicable in commerce 2.20%. Unemployment: Financed by the public authorities. Sickness: Rate for the National Sickness Insurance Fund for industrial workers.		Sickness: (a) = benefits in kind (b) = general insurance for serious risks (c) = cash benefits (average rate). Unemployment: (a) = interim allowance: variable rate. (b) = unemployment insurance.		Note: Ee = Employee Er = Employer

## APPENDIX 6

### Industrial Accidents/Injuries

- Table 1 — Trends in frequency of accidents (1961 - 1970) Germany
- Table 1a — Trends in frequency of accidents as such by branch of occupation (1962 - 1970), Germany
- Table 2 — Trends in frequency of accidents by branch of occupation, Belgium (1964 - 1970)
- Table 3 — Trends in frequency of accidents by branch of occupation (1961 - 1970) France
- Table 4 — Trends in frequency of accidents with lost time (temporary incapacity) (1962 - 1969) Italy
- Table 5 — Trends in frequency of accidents (1961 - 1970) Luxembourg
- Table 6 — Trends in frequency of accidents for all industries (1968) The Netherlands
- Table 7 — Trends in the frequency of accidents (fatalities) — Manufacturing industries (1960 - 1970)
- Table 8 — Trends in the frequency of accidents in the iron and steel industry (1960 - 1970)

As regards the non-comparability of the following national statistics as well as the definition of what constitutes an industrial accident, see the introduction to Annex 5 of the Report on the Development of the Social Situation in the Community in 1966, also the Yearbook of Social Statistics - 1970, edited by the Statistical Office of the EC (page 269).

Table 1 — Trends in frequency of accidents<sup>1</sup> in industry<sup>2</sup> (1961-1970)

Germany

Year	Plant accidents	Accidents on the way to and from work
1961	11.318	11.66
1962	111.39	11.09
1963	107.56	11.84
1964	108.41	10.78
1965	106.42	10.23
1966	101.59	9.59
1967	90.41	8.68
1968	93.06	9.20
1969	92.50	9.50
1970	93.80	10.00

$$^1 \text{ Frequency Rate : } \frac{\text{Number of Accidents} \times 1\,000}{\text{Workers/year}}$$

$$\text{Workers/year : } \frac{\text{Number of days or work stations}}{300 \text{ or } 250}$$

<sup>2</sup> Accidents reported.

Source : Bundesministerium für Arbeit und Sozialordnung

Table 1a — Trends in the frequency of accidents<sup>1</sup> in industry<sup>2</sup> (in-house) by occupational branch (1962-1970)

Germany

Branch	1962	1963	1964	1965	1966	1967	1968	1969	1970
<b>I. Industry, Commerce, Services, Transport</b>									
Extractive industries	255.1	254.0	250.2	250.3	223.5	182.2	182.6	220.3	225.1
Building materials	219.6	211.8	173.9	169.3	170.2	153.3	145.9	162.8	156.9
Gas and water	83.4	84.4	72.3	73.6	69.4	66.4	65.7	68.5	72.6
Metallurgy	201.8	185.5	176.7	177.7	168.1	141.5	145.5	162.0	163.1
Precision industries: Electro, Mechanical, Optical	90.3	88.0	80.7	77.3	71.4	59.8	65.6	59.8	57.7
Timber	104.0	99.6	106.7	104.8	99.9	84.7	87.3	95.7	93.7
Paper and printing	178.7	169.1	184.1	182.6	187.2	167.5	142.5	161.0	153.7
Textiles, Leather	87.2	87.3	82.7	84.9	82.8	75.3	65.3	68.6	67.8
Food, drink and tobacco	60.2	60.3	66.5	67.8	70.8	44.0	46.2	50.0	50.5
Building and Civil Engineering	112.2	103.9	110.2	98.7	101.6	94.8	99.5	102.6	99.9
Commerce, Banks, Insurance and Private Services	214.7	209.3	221.5	214.0	198.2	190.2	200.8	172.9	170.8
Transport	66.2	63.7	57.8	57.5	53.5	50.6	47.4	46.3	54.4
Health and Hygiene	139.9	142.6	137.5	112.6	109.7	100.5	96.2	104.7	104.6
	24.6	26.7	27.0	24.7	24.5	26.0	23.8	23.8	18.9
<b>Total of branches</b>	<b>128.9</b>	<b>122.8</b>	<b>122.1</b>	<b>118.5</b>	<b>111.9</b>	<b>97.2</b>	<b>100.5</b>	<b>100.0</b>	<b>102.6</b>
<b>II. Agriculture, forestry</b>									
	74.4	73.1	77.6	77.8	79.9	82.7	85.0	83.8	80.5
<b>III. Municipalities etc.</b>									
	35.2	40.8	42.4	45.2	45.0	45.4	44.6	34.8	42.3
<b>IV. Administration of Länder and some large towns</b>									
	77.1	77.1	74.7	75.1	72.1	68.1	67.4	65.6	66.7
<b>Total</b>	<b>111.4</b>	<b>107.6</b>	<b>108.4</b>	<b>106.4</b>	<b>101.6</b>	<b>90.4</b>	<b>93.0</b>	<b>92.5</b>	<b>93.8</b>

Source: Bundesministerium für Arbeit und Sozialordnung.

<sup>1</sup> Frequency Rate:  $\frac{\text{Number of Accidents} \times 1\,000}{\text{Workers/year}}$

Workers/Year:  $\frac{\text{Number of days or work stations}}{300 \text{ or } 250}$

<sup>2</sup> Accidents reported.

Source: Bundesministerium für Arbeit und Sozialordnung.

Table 2 — Trends in frequency<sup>1</sup> of accidents at work, by branch of occupation (1964-1970)

Belgium

Occupational branch (the numbers refer to the international type classification)	Frequency Rate						
	1964	1965	1961	1967	1968	1969	1970
Foodstuffs (20)	54.6	57.1	56.9	58.6	52.1	54.6	63.0
Beverages (21)	84.8	83.2	74.3	80.5	66.0	66.5	78.0
Tobacco (22)	33.0	35.8	26.6	28.6	27.9	29.7	34.8
Textiles (23)	45.5	42.5	45.3	37.4	40.1	45.3	47.3
Footwear and clothing (24)	13.2	19.9	18.6	18.0	17.7	16.8	20.8
Timber (25)	98.9	85.2	83.3	84.4	78.4	87.7	93.5
Furniture (26)	86.5	85.6	61.9	68.4	64.9	72.1	69.0
Paper (27)	74.7	73.3	70.4	63.2	61.7	64.4	74.7
Printing (28)	33.5	34.6	33.8	31.9	31.6	31.7	32.2
Leather, fur (29)	47.9	60.6	57.4	60.1	52.2	57.3	56.3
Rubber (30)	72.7	61.3	69.7	60.0	55.8	60.9	67.8
Chemicals (31)	35.3	33.8	29.7	29.2	31.8	32.8	38.3
Oil and coal products (32)	36.1	28.6	26.4	25.5	25.6	28.4	33.5
Mineral products (33)	83.4	81.3	77.0	68.8	77.0	77.2	90.2
Metallurgy (34)	103.3	85.6	80.6	74.3	93.8	85.6	94.2
Metalworking (35)	98.9	104.5	73.5	92.9	80.4	95.0	98.5
Machinery construction (36)	95.8	90.9	82.3	66.1	61.3	67.3	86.8
Elec. machinery construction (37)	53.4	47.7	38.6	35.7	40.1	41.4	40.0
Transport Equipment construction (38)	94.9	78.9	80.4	75.0	71.1	71.5	81.5
Various manufacturing industries (39)	52.8	42.3	56.0	52.7	49.0	29.0	43.7
Building and Public Works (4)	116.1	103.4	97.2	109.4	93.1	109.9	113.0
Electricity, gas and water (5)	47.7	46.1	45.8	47.7	42.9	44.3	45.8
Commerce, Banks etc. (6)	21.5	20.6	19.4	19.3	18.7	20.4	22.3
Transport (7) including State and provincial railways	38.5	38.6	35.1	34.9	36.3	39.8	38.6
Services (8)	23.0	22.4	19.4	21.2	19.0	19.0	20.6
Inadequately specified occupations (9)	135.9	116.1	98.5	128.8	98.6	79.5	93.5
Total of occupations	57.3	55.6	50.2	50.2	48.3	50.7	55.5

Number of Accidents × 1 000 000

<sup>1</sup> Frequency Rate :  $\frac{\text{Number of Accidents} \times 1\,000\,000}{\text{Hours of risk exposure}}$

Source : Ministère de l'emploi et du travail (statistics established by technical inspection on the basis of declared investigated accidents).

Table 3 — Trends in frequency of accidents<sup>1</sup> by branch of occupation (1961-1970)  
France

Branch	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970
Buildings and Public Works	92	88	86	90	86	82	80	79	74	75
Quarrying and bricks	80	78	81	83	77	73	70	68	67	65
Metallurgy	68	66	67	67	64	61	58	55	55	56
Transport and maintenance	61	60	64	62	61	58	54	54	53	53
Timber	59	59	59	61	58	57	54	54	52	52
Rubber, paper, cardboard	50	51	52	54	50	50	48	45	46	45
Foodstuffs	42	43	44	46	43	43	42	42	40	40
Chemicals	39	38	41	40	38	37	35	33	33	32
Textiles	28	28	30	32	29	31	29	27	28	28
Printing and graphics	23	24	25	25	25	26	25	24	24	24
Commerce	23	24	25	25	24	24	23	23	22	22
Leather and skins	23	24	24	25	22	22	22	21	21	21
Clothing	13	13	14	14	14	15	14	14	14	14
Interindustrial	14	13	14	16	14	14	14	14	13	14
Total of branches	49	48	48	49	47	45	43	42	41	41

<sup>1</sup> Frequency Rate:  $\frac{\text{Number of Accidents} \times 1\,000\,000}{\text{Hours worked}}$

Source: National Sickness Insurance Fund for Wage earners.

a) National statistics on industrial accidents.

b) Observations on technological statistics for industrial accidents.

Table 4 — Trends in frequency of accidents<sup>1</sup> with lost time or temporary incapacity (1962-1969)<sup>2, 3</sup>

Italy

Industry	1962	1963	1964	1965	1966	1967	1968	1969
Foodstuffs, forestry, stock-breeding etc.	172.06	174.02	185.41	170.89	167.83	159.76	149.32	152.77
Chemicals, paper etc.	109.01	128.49	133.41	119.61	117.69	110.79	107.67	112.57
Building etc.	298.11	314.26	301.97	251.72	233.14	238.39	227.32	237.60
Electricity etc.	97.98	102.56	98.20	86.79	83.95	74.54	76.74	76.35
Timber and allied products	260.42	256.21	255.85	229.60	211.13	218.72	190.09	186.12
Metallurgy, metalworking, Machinemaking	215.23	231.63	208.21	179.98	186.48	183.07	180.31	189.46
Mines and mineral processing etc.	272.59	283.95	274.45	237.01	223.95	219.08	214.14	213.69
Textiles and clothing	74.02	83.69	80.74	68.04	70.65	69.10	67.24	70.37
Transport, warehouses	149.57	154.05	128.59	114.88	115.21	138.76	111.09	109.25
Various and unspecified industries	77.36	82.12	84.25	76.82	69.61	75.97	71.61	72.04
<b>Total of industries</b>	<b>189.11</b>	<b>199.76</b>	<b>190.10</b>	<b>161.14</b>	<b>155.24</b>	<b>156.01</b>	<b>148.21</b>	<b>151.98</b>

<sup>1</sup> Frequency Rate:  $\frac{\text{Number of accidents}^2 \times 1\,000}{\text{Workers/year}}$

Workers Year:  $\frac{\text{Sum of wages paid during year}}{\text{Average daily wage} \times 300}$

<sup>2</sup> Cases arising during the year and indemnified against temporary incapacity up to 31 December of the same year.

<sup>3</sup> The 1970 figures are not yet to hand.

Source: Istituto nazionale per l'assicurazione contro gli infortuni sul lavoro, Servizio statistico.

Table 5 — Trends in frequency of accidents<sup>1</sup> for all industries (1961-1970)  
Luxembourg

Year	Frequency Rate
1961	28.1
1962	26.9
1963	25.1
1964	26.2
1965	25.5
1966	23.5
1967	21.6
1968	21.0
1969	22.3
1970	21.6

$$^1 \text{ Frequency Rate : } \frac{\text{Number of accidents} \times 100}{\text{Worker/Units}}$$

$$\text{Worker/Units : } \frac{\text{Total hours worked in the insured enterprises}}{2\,400}$$

Source : Accident Insurance Association, Industrial section.

Table 6 — Trends in the frequency of accidents<sup>1</sup> for all industries<sup>2</sup>  
(new series—provisional figures) 1968

Netherlands

Year	Fatal Accidents	Non-fatal Accidents
1968	0.11	75.0

$$^1 \frac{\text{Number of accidents} \times 1\,000}{\text{Workers}}$$

<sup>2</sup> Establishments with 20 or more workers.

Source : Ministerie van sociale zaken en volksgezondheid—Directoraat-generaal van de arbeid.

Table 7 — Trends in the frequency of accidents (fatalities), in the manufacturing industries (1960-1970)

ILO

Year	Germany (inc. West-Berlin)	France <sup>1</sup>	Italy	Luxembourg <sup>2</sup>	Netherlands
	3	4	5	6	7
1960	0.19	0.10	0.18	0.04	0.12
1961	0.20	0.12	0.20	0.17	0.16
1962	0.20	0.13	0.17	0.22	0.20
1963	0.18	0.10	0.14	0.11	0.16
1964	0.19	0.10	0.19	0.41	0.19
1965	0.18		0.15	0.19	0.19
1966	0.20		0.11	0.46	
1967	0.19		0.10	0.26	
1968	0.17			0.22	
1969	0.17			0.17	
1970	0.17				

<sup>1</sup> Excluding certain manufacturing industries such as foodstuffs, tobacco etc.

<sup>2</sup> Iron and steel only.

<sup>3</sup> Indemnified injuries : rate per thousand man-years of 300 days.

<sup>4</sup> Indemnified injuries : rate per million man-hours worked.

<sup>5</sup> Accidents reported : rate per thousand man-years of 300 days.

<sup>6</sup> Accidents reported : rate per thousand occupied persons (average number).

Source : ILO—Yearbook of Labour Statistics, 1970.

Table 8 — Trends in the frequency<sup>1</sup> of accidents in the iron and steel industry<sup>2</sup>  
1960-1970

(SOEC - Community Statistics)

	Year	Germany	France	Italy	Netherlands	Belgium	Luxembourg	EC
I. Fatal accidents	1960	0.18	0.22	0.15	.	0.20	0.05	0.19
	1961	0.12	0.20	0.15	0.05	0.19	0.17	0.16
	1962	0.20	0.20	0.20	0.32	0.19	0.23	0.20
	1963	0.16	0.14	0.15	0.11	0.23	0.10	0.16
	1964	0.15	0.15	0.10	0.05	0.17	0.46	0.16
	1965	0.19	0.17	0.19	0.04	0.18	0.21	0.18
	1966	0.13	0.12	0.16	0.04	0.15	0.26	0.13
	1967	0.14	0.10	0.12	0.05	0.13	0.27	0.13
	1968	0.18	0.13	0.18	0.09	0.18	0.22	0.17
	1969	0.15	0.20	0.14	0.08	0.17	0.16	0.16
	1970	0.15	0.17	0.17	0.12	0.16	0.14	0.16
II. Non-fatal accidents (lost time of one day minimum)	1960	108	74	104	.	128	121	98
	1961	102	73	112	63	122	117	96
	1961	95	73	110	69	110	107	92
	1963	89	72	112	61	107	111	89
	1964	97	71	107	70	114	112	93
	1965	98	67	102	69	107	115	90
	1966	92	65	95	66	102	108	85
	1967	86	59	96	54	90	104	80
	1968	94	57	91	55	87	94	82
	1969	100	62	98	44	87	105	87
	1970	105	64	117	42	93	102	92
III. Non-fatal accidents (lost time of more than three days)	1960	95	71	78	.	100	115	86
	1961	92	71	82	54	95	110	84
	1962	85	70	80	57	84	100	80
	1963	79	70	88	53	82	103	78
	1964	85	69	84	61	87	102	81
	1965	87	65	77	59	80	106	78
	1966	80	63	75	57	75	100	74
	1967	72	58	75	48	67	98	68
	1968	80	56	69	49	65	88	70
	1969	87	60	76	40	66	97	75
	1970	94	62	91	38	72	94	81

<sup>1</sup> Frequency Rate is equal to the number of accidents per million hours worked.

<sup>2</sup> Results of Community surveys.

Source: Statistical Office of the European Communities.