

Commission of the European Communities

REPORT

ON SOCIAL DEVELOPMENTS

- YEAR 1987 -

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INTRODUCTION

1. The Community economy continued its moderate growth in 1987 at a rate of approximately 2.7 % (1986: 2.6 %) largely as a result of buoyant expansion in Spain, the United Kingdom, Ireland and Portugal. Economic growth was underpinned by a strong growth of domestic demand (1987: 3.8 %, 1986: 3.9 %) and accompanied by a further decline in the inflation rate (1987: 3.3 %, 1986: 3.6 %); both developments were facilitated by another significant improvement of the terms of trade.

Along with economic growth, total employment continued to increase in 1987 by 1.0 % (1986: 0.8 %) on average in the Community. Because of offsetting growth of the labour force, however, unemployment, fell only marginally and remained at the unacceptably high level of 11.7 % of the labour force (1986: 11.9 %). Thus in 1987 there were still some 16 million registered unemployed in the Community".

2. Unemployment and job creation remain one of the Commission's main preoccupations. It was in this context that, at its meeting of 25 June, the Standing Committee on Employment emphasized the importance of greater flexibility on the labour market and of the internal and external adaptation of firms in relation to employment. In this connection, the Commission forwarded a communication (1) to the Council on the internal and external adaptation of firms in relation to employment, the main components of which are incorporated in the Council resolution of 22 December 1986 (2) on an action programme for employment growth and in the resolutions on the restructuring of the labour market (3) adopted by the European Parliament in November 1986. The communication stresses the fact that, at both national and Community level, there have been an increasing number of negotiations and agreements on the subject of adaptability and flexibility in the light of the principles outlined in the Cooperative Growth Strategy for More Employment.

(1) COM(87) 229 final.

(2) OJ C 340, 31.12.1986; Bull. EC 12-1986, point 2.1.138.

(3) OJ C 322, 15.12.1986.

Furthermore, the conclusions of the communication contain a number of ideas and suggestions concerning mainly the organization and content of work, the adaptation of working time, the multiplicity of employment contracts, wage adaptation and dismissal and recruitment measures.

Also in 1987, the two sides of industry meeting within the Macroeconomic Working Party adopted a joint opinion confirming their agreement on the fundamental options of the cooperative strategy for more employment and the report on the economic situation in the Community in 1987.

At the close of the meeting of 26 November 1987 chaired by Mr SCHMIDHUBER, member of the Commission with responsibility for economic affairs, the working party confirmed its support for the aims of the Cooperative Growth Strategy for More Employment and the completion of the internal market and, in the Joint Opinion on the Annual Economic Report for 1987/1988, stated that "The internal market must be achieved rapidly while taking into account social policy, implying a full implementation of Articles 118, 118 A and 118 B, and 130 A - 130 E of the Treaty, as amended by the European Single Act. The three organizations intend to deepen their exchange of views on this issue. (...) UNICE, ETUC and CEEP support the Commission's fundamental options for reforming the structural funds in the framework of a balanced Community budget as expressed in the communication "The Single Act: A new frontier for Europe". They consider that a significant increase and improved effectiveness of these funds are essential elements for strengthening the Community's economic and social cohesion".

3. Furthermore, in 1987 the Commission continued its efforts to combat long-term unemployment. More precisely, some eight million people, i.e. nearly fifty percent of the total number of unemployed, have been out of work for at least a year.

The problem of long-term unemployment was the subject of a Council decision as long ago as 1984 (4), following which the Commission proposed a number of measures designed, firstly, to curb the growth of long-term unemployment and, secondly, to promote the reintegration into working life primarily of those who have been unemployed for more than twelve months.

On 25 May 1987, the Commission submitted to the Council a memorandum on measures to combat long-term unemployment (5). The memorandum appraises the effectiveness of government policies and proposes a number of measures to intensify the fight against long-term unemployment and identify ways of reaching a consensus on the nature of the problem and how it should be solved. It recommends that the Community set itself the target of reducing the proportion of unemployment accounted for by long-term unemployment from 50 % at present to a maximum of 30 % by 1990.

The meeting held by the Standing Committee on Employment on 5 November was also devoted to the problem of long-term unemployment. One of the main conclusions reached at that meeting was the need for overall action in support of growth as a way of combating long-term unemployment and the need to develop all aspects of the cooperation strategy in the Community.

4. In its concern to make a more effective contribution to the fight against long-term unemployment, on 27 February (6), the Commission amended its Decision of 30 April 1986 (7) on the guidelines for the management of the European Social Fund for the years 1987-1989. The purpose of the amendment is to assist areas of high and long-term unemployment and/or undergoing industrial and sectoral restructuring. After consulting the European Parliament (8), the Commission adopted in April the guidelines for the management of the Social Fund for the years 1988-1990. Compared with the previous year (9), the eligibility criteria were modified. Under the criteria, young people of less than 25 years of age are now eligible for aid for the vocational training of those who have been unemployed for over twelve months.

(4) OJ C 2, 4.1.1985; Bull. EC 12-1984, point 2.1.82.

(5) COM(87) 231 final.

(6) OJ L 68, 12.3.1987.

(7) OJ L 153, 7.6.1986; Bull. EC 4-1986, point 2.1.64.

(8) OJ C 99, 13.4.1987; Bull. EC 3-1987, point 2.1.94.

(9) OJ L 153, 7.6.1986; Bull. EC 4-1986, point 2.1.64.

The Commission approved applications for aid under the European Social Fund for the 1987 Financial Year totalling 3 150.41 million ECU in respect of 7000 projects. Approximately 75 % of this amount (i.e. 2 361 million ECU) was reserved for measures to assist those under 25 years of age. Nearly 45 % (i.e. 1 371.45 million ECU) was earmarked for action in the less-favoured regions.

5. Given that a high proportion of the unemployed and of the long-term unemployed is accounted for by young people, the Commission stepped up its activities relating to the training of young people. It drew up an action programme for the vocational training of young people and to prepare young people for adult and working life (10). That programme, covering the years 1988 to 1992, was adopted by the Council on 1 December (11). The aim of the programme is to facilitate the transition of young people from school to working life and to provide all young people who so desire with one or, if possible, two years or more of vocational training over and above their compulsory full-time education.

The action programme also sets out to raise the level and quality of vocational training, to diversify the vocational training available, to promote the adaptability of vocational training systems to rapid economic, technological and social changes, to give a Community dimension to the vocational skills sought and offered on the labour market, thus promoting the correspondence of such skills between the Member States.

(10) OJ C 90 of 4.4.1987; Bull. EC 3-1987.

(11) OJ L 346, 10.12.1987.

This programme is a sequel to the second Community action programme (1982-1987) on the transition of young people from school to working life (12), the final report concerning which was forwarded by the Commission to the Council, the European Parliament and the Economic and Social Committee on 19 December 1987 (13).

6. In addition, the Commission has continued its activities in the field of student mobility. The Council and the Ministers of Education meeting within the Council gave their agreement on 14 May to the decision concerning the ERASMUS programme - European Action Scheme for the Mobility of University Students (14).

This action programme will make a major contribution to the construction of the People's Europe. ERASMUS will make it easier to overcome the traditional barriers impeding the mobility of students such as the absence of recognition of periods of study spent abroad, the limited number of cooperation agreements between universities, the high cost of travel and periods spent abroad and the inadequacy of infrastructures for study of the language of the host country.

ERASMUS is of direct relevance to some 6 million university students in the twelve Member States and enables some of them to complete a part of their studies at a university of another Member State, thus helping to strengthen the European identity.

The ERASMUS programme has four lines of action :

(1) establishment and operation of a European network for university cooperation;

(12) OJ C 193, 28.7.1982; Bull. EC 5-1982, point 2.1.35; Bull. EC 12-1985, point 2.1.101.

(13) COM(87) 705 final.

(14) OJ C 73, 2.4.1986; Bull. EC 1-1986, point 2.1.63; Bull. EC 11-1986, point 2.1.106.

- (2) direct financial support for students completing a period of study at a university of another Member State;
- (3) measures designed to improve academic recognition of qualifications and periods of study completed in another Member State;
- (4) complementary measures such as conferences, intensive courses, support for university associations and ERASMUS prizes are also provided for.

Not less than 25 000 Community students will receive ERASMUS grants in the first three years of the programme. Some 3 000 grants-in-aid will be awarded to the Universities to enable them to set up programmes for the exchange of students and lectures.

To quote the Vice-President of the European Commission, Mr Marin, ERASMUS is "a programme which, contrary to the traditional image of Community action, is addressed directly at the European citizen. It is a programme of hope".

In 1987, the ERASMUS programme served to finance 398 inter-university cooperation programmes involving more than 850 institutes of higher education and 1 138 study visits, exhausting the entire budget of 11.2 million ECU available.

7. Given the present economic, industrial and technological challenges, action is also necessary to promote the formation of a highly qualified labour force in order to ensure the growth and competitiveness of enterprises in a European context. It is with this objective in mind that the Community launched COMETT: Community programme for cooperation between universities and firms in the field of training in new technologies.

Since it became operational on 1 January 1987, the COMETT programme has given rise to many training initiatives. A total of 618 projects were selected under the two COMETT application rounds for 1987 broken down as follows:

- Strand A : a network of 108 University-Enterprise Training Partnerships (UETPs) was set up, 60 of which were of a regional type, 34 of a regional type and 14 consortia of a mixed type, 47 of these UETPs being transnational in character from the outset;
- Strand B : 1067 transnational placements for students in enterprises and 73 transnational fellowships, 39 of which were awarded to industrial personnel and 34 to university staff;
- Strand C : 135 joint continuous training projects in a wide range of technological fields between universities and enterprises;
- Strand D : 62 multilateral initiatives for the development of multimedia training systems.

The total budget for 1987 - an initial appropriation of 13 million ECU plus an additional 3 million allocated by the budgetary authority during the year - was distributed as follows: roughly 3.5 million ECU, i.e. 25 %, for activities under Strand A; roughly 2.9 million ECU, i.e. 20 %, for student placements; roughly 500 000 ECU, i.e. 4 %, for fellowships; roughly 4.5 million ECU, i.e. 32 %, for projects selected under Strand C; and roughly 2.7 million ECU, i.e. 19 %, for Strand D. The remainder of the budget was allocated to additional operations provided for under Strand E (promotion and back-up activities) and the costs of managing the programme.

Furthermore, on 9 December 1987, the Commission took the decision concerning the second instalment of the COMETT programme, total Community financial assistance for which is 8.5 million ECU.

As part of its efforts to promote equality of treatment between men and women, the Council adopted the conclusions of a communication from the Commission (15) on protective legislation for women in which the Commission advocates the equalization of conditions between men and women from the viewpoint of compliance with the principle of equal treatment. The Council called on the Member States and the two sides of industry to review protective legislation for women and on the Commission to update its communication on this subject in line with the timetable for the medium-term Community programme on equal opportunities for women (1986-1990) (16).

8. As regards vocational training for women, the Council adopted conclusions based on a communication from the Commission (17) in which the latter makes proposals to the Member States concerning a variety of activities designed to promote a fairer distribution of occupational skills amongst women and girls. Further to these conclusions, the Commission decided to adopt a recommendation on vocational training for women. It recommends that the Member States adopt a comprehensive policy designed to encourage the participation of young and adult women in training schemes, especially those of relevance to occupations of the future, and to develop specific measures particularly as regards occupations in which women are underrepresented.

Furthermore, on 27 October 1987 (18), the Commission forwarded to the Council a proposal for a directive supplementing the implementation of the principle of equal of treatment between men and women in statutory and occupational social security schemes. In accordance with the Community action programme 1986-1990 on equal opportunities (19), this proposal sets out to cover all the problems not solved by the Directives of 19 December 1978 (20) and 24 July 1986 (21).

(15) COM(87) 105 final.

(16) Supplement 3/86 - Bull. EC; OJ C 356, 31.12.1985.

(17) COM(87) 606.

(18) OJ C 309, 19.11.1987; COM(87) 494 final.

(19) Supplement 3/86 - Bull. EC; OJ C 203, 12.8.1986; Bull. EC 6-1986, point 2.1.116.

(20) OJ L 6, 10.1.1979.

(21) OJ L 225, 12.8.1986; Bull. EC 6-1986, point 2.1.117.

In addition, it extends family and survivors' allowances to members of the family, survivors and other dependent persons. Lastly, it sets out in greater detail the rules to be applied in order to eliminate existing forms of discrimination.

9. In 1987 the Commission continued its efforts in the field of the social and economic integration and independent living of the handicapped.

The Council and the Ministers of Education endorsed a communication from the Commission (22) concerning the educational integration of the handicapped. The communication contains a draft new work programme concerning the integration of handicapped children and young people into the ordinary education system. This draft is the product of work carried out by the Commission in response to the call made by the Council and the Ministers of Education meeting within the Council on 4 June 1984 (23).

The programme covers four areas: special systems and situations integrated in the ordinary education system; teacher training and child cooperation; development of curricula and teaching methods; material and social aspects connected with the full-time education of integrated handicapped children.

The Commission also forwarded to the Council (24) two draft decisions laying down a second Community action programme for the handicapped. These relate to the vocational readaptation and economic integration of the handicapped as well as measures to promote their social integration and independent living and are now being discussed within the Council.

(22) COM(87) 94 final.

(23) Bull. EC 6-1986, point 2.1.41.

(24) OJ C 257, 28.9.1987; COM(87) 342 final.

10. It should be stressed moreover that, as a result of the enlargement of the Community to include Spain and Portugal, the second anti-poverty programme (1985-1988) (25) was extended to include 26 action research projects accounting for a total amount of 4 million ECU. These projects have been officially integrated in the programme since 1 July 1987.

11. An important Commission initiative relates more particularly to matters of health and safety at the workplace, a field in which Article 118A of the Single Act consolidates the powers of the Community. In this context, the Social Affairs Council adopted on 21 December (26) a new work programme proposed by the Commission (27) focusing on the following five areas:

- health protection and development of safety (including ergonomics) for workers at the workplace;
- health and safety at the workplace;
- training and information policy;
- specific initiatives for small and medium-sized enterprises;
- social dialogue.

This programme will serve as a basis for proposals for directives to be submitted to the Council in 1988.

On 12 and 13 November respectively, the Commission forwarded to the Council amendments to three proposals for directives concerning the protection of workers by the prohibition of certain specific agents and/or certain activities (28), concerning the protection of workers against risks connected with exposure to benzene during work (29) and concerning the protection of workers against risks connected with exposure to chemical, physical and biological agents during work (30).

(25) OJ L 2, 3.1.1985; Bull. EC 12-1984, point 2.1.95.

(26) OJ C 28, 3.2.1988.

(27) Bull. CE 9-1987, point 2.1.91; Bull. CE 10-1987, point 2.1.93.

(28) COM(87) 516 final.

(29) COM(87) 526 final.

(30) COM(87) 535 final.

In December, the Commission forwarded to the Council a proposal for a directive concerning the protection of workers against risks connected with exposure to carcinogens during work (31).

12. Intensifying its activities in the field of public health, the Commission forwarded to the Council a communication concerning the programme "Europe against Cancer - Proposal for an Action Programme 1987-1989" (32).

This three-year programme (1987-1989) is part of the activities leading towards a European society and the establishment of a "People's Europe". The Council of Ministers of Health gave its agreement in principle to this programme at its meeting in May.

Another Commission concern in the field of public health - drugs - was the subject of an "International Conference on the Abuse and Illicit Trafficking of Drugs" held in Vienna on 26 June 1987. In accordance with the decision taken by the Council on 26 January 1987 (33), the Community took part in this first United Nations Conference. The conference adopted a political declaration laying down major outlines for national, regional and international measures to be taken in the years to come in order to control the scourge of drugs more effectively.

The measures will therefore be implemented on the international level so as to be able to combat drugs more effectively.

Furthermore, in 1986, the first resolutions concerning AIDS were adopted. On 15 May, the Council and the Ministers of Health meeting within the Council adopted conclusions from a communication from the Commission (34) on the fight against AIDS. This Community plan to combat AIDS has four objectives :

(30) COM(87) 535 final.

(31) OJ C 34, 8.2.1988; COM(87) 641 final.

(32) OJ C 50, 26.2.1987; Bull. EC 12-1986, point 1.4.1 et seq.

(33) Bull. EC 1-1987, point 2.1.65.

(34) Bull. EC 2-1987, point 1.4.1. et seq.

- coordination of research;
- international cooperation (Lomé Convention);
- exchange of information and experience in the matter of prevention;
- safeguarding of the rights of European citizens, particularly from the point of view of freedom of movement and establishment.

13. In 1987, the Commission, in continuing its work in the fields of employment, measures to combat unemployment and the organization of the labour market, consequently brought the resources of the Social Fund to bear more intensively on the phenomenon of long-term unemployment.

In this connection, two fields of Commission activity are particularly worth underlining in the course of 1987.

Firstly the COMETT and ERASMUS programmes have attained their cruising speeds. They have been very successful with all the circles concerned and the Commission intends to do its utmost to ensure that they are continued and expanded in the future.

Secondly, the Single European Act has given fresh impetus to the Commission's initiatives in the field of health and safety at the workplace. On the basis of the work programme which it has adopted, the Commission has proposed numerous directives to the Council which, provide for social accompaniment, in the field of health and safety, as well as directives which ensure the establishment of the internal market, particularly in the field of the free movement of goods.

Lastly, the Commission wishes to underline the importance which it attached in 1987 to the social dialogue, either within numerous joint committees or within the ad hoc working parties of the "Val Duchesse" social dialogue which, bringing together representatives of ETUC, UNICE and CEEP, has produced joint opinions on the growth strategy, training and motivation of workers and information and consultation of workers.

The working parties will continue their valuable work in the field of adaptability and flexibility within firms. They regularly assess the economic situation and outlook in the Community and intend to deepen their macroeconomic discussions on e.g. the relationship between economic growth and employment creation and on the implications of the internal market. The work will continue in 1988, more particularly in the light of Article 118B of the Single Act.

B. Social developments in the Community in 1987

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Chapter I

EMPLOYMENT

(Including migrant workers)

Trends within the Community

14. After several successive falls, the level of employment in the Community has recovered slightly in the last few years (+ 0.6 % in 1985 ; + 0.8 % in 1986; + 1.0% in 1987). However, this trend covers a wide variety of situations depending on the area under consideration. The adjustments on the labour market have come about with varying degrees of speed depending on the macroeconomic policies pursued and the nature of the area's industry.

The overall balance of employment resulting from the interplay of supply and demand on the labour market can be read most clearly in the level of unemployment. However, supply and demand are conditioned by different factors and unemployment is not the only way in which they adjust to each other: we have also to take account of the new paths by which young people are entering working life, part-time work, temporary work and early retirement. It is thus becoming increasingly difficult to describe the labour market in terms of a few simple indicators.

We are witnessing profound changes in the nature of the jobs created. Traditional employment contracts taking on a worker in a stable and full-time activity are gradually giving way to more flexible forms of employment.

Part-time working is developing rapidly. At the moment it is the most widely used form of job sharing. New forms of employment are developing (intermittent, temporary, on-call, seasonal, etc). The term employment now covers vastly differing situations ranging from qualified, secure and wellpaid jobs to others which are less secure and far from gratifying.

The services sector continues to be the most dynamic and makes up for the constant decline of agriculture and industry. Furthermore, the growth of dependent employment, in particular in large undertakings, of which it was formerly a characteristic, has slowed considerably. Jobs in

small undertakings are showing the greatest survival capacity. It is as if henceforth flexibility and adaptability to changing conditions were the trump cards whereas the economies of scale made possible by large-scale undertakings no longer have any influence on shrinking or changing markets.

As employment has developed more favourably, the increase in unemployment has slowed down over the last few years (the rate of unemployment as a percentage of the working population was 11.6 % in 1985, 11,9 % in 1986 and 11.7 % in 1987 for the 12-member Community).

In large part this development may be attributed to the slowdown in the growth of the working population. In the medium term, the continuation of the restructuring process and the existence of large unemployed human resources - a "reserve" labour force - will continue to have an unfavourable effect on the labour market.

Not all areas of the Community nor all social categories are affected equally by unemployment. Some categories are more vulnerable: young people, women, elderly, unskilled and migrant workers.

On a Community-wide scale we are witnessing a concentration of unemployment upon a number of specific categories ; (major prolongation of the duration of unemployment and problems in integrating young people and persons without skills) and in certain regions (industrial decline in areas of belated development and declining industrial areas).

Policy developments

15. Since December 1986, the development of employment policy in the Community has been guided by the Council Resolution on an action programme for employment growth which was adopted by the Council on 22 December 1986.

This Resolution highlighted four main areas requiring priority action :

- a) promoting new business and employment growth ;
- b) more efficient labour markets;
- c) training;
- d) long-term unemployment.

Under the provisions of this Resolution, the Commission is required to draw up, every 6 months, a report on progress achieved in the implementation of the Resolution and proposed action.

In the first of these progress reports, prepared in May 1987, the Commission noted that a number of measures had already been adopted in the four fields concerned.

With a view to promoting new business and employment growth, the Commission has adopted measures to improve conditions for enterprises, as well as a further series of proposals for promoting local employment initiatives and fostering training which matches the needs of SME's.

In the context of promoting more efficient labour markets, the Commission has work under way in a number of areas.

It is to publish a report on its series of 12 pilot schemes on local economic development carried out in the second half of 1986. It will examine future action on the basis of the report's conclusions.

In May 1987, the Commission forwarded to the Council a communication on the internal and external adjustment of enterprises in relation to employment.

The Commission is continuing to implement the provisions of the Council Decision of 16 July 1985 on the comparability of vocational training qualifications.

In 1987, it continued the implementation of the medium-term Community programme on equal opportunities for women (1986-1990). A communication on protective legislation for women in the Member States was sent to the Council in March. The Communication examines whether the various protective measures comply with the Directive on equal treatment (76/207/EEC) or whether they should be abridged or extended to the two sexes.

In the field of training, the Commission adopted a series of measures including :

- a draft Decision on the training and preparation of young people for adult and working life;
- a Communication on adult training in firms;
- a Communication on vocational training for women.

In May 1987, the Commission adopted a Memorandum on combating long-term unemployment, in response to the request made in the Resolution of 22 December 1986.

The Memorandum points to the fact that long-term unemployment has increased since the Council Resolution of 22 December 1986.

The Commission is studying the development of the problem and assessing the effectiveness of the government measures applied to date. The situation is producing a series of discussions on a number of topics involving national policies and measures to combat long-term unemployment.

Following the results of the Council discussions, the Commission will develop a Community action programme with a view to reducing long-term unemployment.

16. In view of the intention to complete the internal market by 1992, the Commission has set in train a number of studies aimed at taking account of the social implications of the single market and at promoting the mobility of workers within the Community.

To this end, the Commission has stepped up its efforts to improve integration of frontier labour markets and, in 1987, arranged a programme of 11 seminars along the Community's internal frontiers concerned with transfrontier cooperation in the fields of :

- the transparency of the frontier labour market ;
- the clearing of vacancies and applications for employment;
- vocational training.

In addition, in order to increase the effectiveness of SEDOC, the system currently used for clearing vacancies and applications for employment at Community level, the Commission has initiated a feasibility study on a pilot experiment on the computerization of the links between the German and French SEDOC services. Although, initially, the experimental system in question is to operate only between the Federal Republic of Germany in France, it will be designed in such a way that it can be used subsequently by all the Member States. This means that the Community nature of the pilot experiment will be underlined from the very start.

17. The trend in the Member States' policies with regard to the resident immigrant population is to reinforce integration measures, especially those likely to ensure full participation by immigrants in the economic, social and cultural life of the host country.

At the same time, all the Member States have noted constant pressure at their frontiers from persons seeking asylum and an increased presence of immigrants in an irregular situation, including in the southern Europe countries, so that the traditional distinction between countries of emigration and countries of immigration in Europe is being gradually eroded. For this reason, several Member States have revised (or intend to revise) their legislation with respect to persons seeking asylum and have reinforced efforts to combat irregular immigration.

Development of the situation in the Member StatesBelgium

18. In Belgium, GDP growth was less buoyant in 1987 (estimated at 1.8 %) than in 1986, when it had reached 2.3 % on average for the year, and as a result employment growth declined sharply from 1.0 % in 1986 to an estimated 0.3 % in 1987. Consequently, the fall in unemployment achieved in previous years was not matched; in December the rate of unemployed as a percentage of the labour force was 12.1 %, and the average rate for the year is forecast to fall to 12.2 % compared with 12.5 % in 1986 and 13.7 % in 1985.

On 1 January 1987 the government introduced major reforms of the main job creation programmes.

The CST (special temporary scheme) was modified so that now virtually the whole of the public sector is excluded from it. Previously CST projects were accepted for a year at most with the possibility of prolonging them for a maximum of 12 months. In future it will be possible to accept CST projects for a maximum 2-year duration right from the beginning. To enable a greater number of jobseekers to find a job via the CST, workers who had already been working on a project for two years on 1 January 1987 will no longer be able to be taken on as a CST worker. State intervention in the wage costs of the unemployed taken on in a CST project have been reduced to 90 % during the first 12 months; it remains at 75 % for the second 12 months.

The reforms of the TCT (Third Work Circuit) follow similar lines : the area covered by the scheme has been limited to reduce the role of the public authorities, and the sponsor now has to make a contribution to the wage and salary costs of the TCT worker. Previously, the State paid 100 %.

In order to simplify the situation of the various job creation schemes involving local authorities, all the previous categories have been replaced by one single category : grant-aided contract workers in local authorities, who may be employed after the agreement of the Ministry of Employment. These workers can only be recruited from certain categories of workers: those who have been fully unemployed for at least six months, CST and TCT beneficiaries, and those in receipt of the "minimum means of existence" (minimex). Their wages are

paid by the employing local authority, but they are exempt from the employers' social security contribution. In addition, the local authorities receive a grant from the State.

In the context of the Plan to stabilise the budget deficit, the government has also introduced a series of changes to the unemployment benefit system. The regulations governing the calculation of the amounts of unemployment benefit in general have been modified. In addition, a new ruling has brought in significant changes in the unemployment system for part-time workers with the aim of promoting the redistribution of work.

Other measures have been taken with the aim of promoting the recruitment of young people and the long-term unemployed. Enterprises which achieve a net increase in employment in 1987 through hiring such persons can draw on a limited exemption from employers' social security contributions. A further scheme provides for the temporary reduction of employers' contributions for employers who hire young jobseekers aged 18-25 if at the same time they are called upon to work and be trained in such a way that their full integration into working life is enhanced.

19. On 14 July 1987 a new law was adopted amending an 1980 law on refugees, especially with respect to right of entry, procedures for the recognition of refugee status, the responsibility of transport companies and public assistance.

The law has two aims : to slow down the massive inflow of refugees, and secondly to promote examination of the extent to which applications for refugee status are acceptable.

In the capital, one quarter of the population is of foreign origin and several communes have refused to receive more foreigners on their territory. For this reason the Government has set up an inter-ministerial working party with the task of formulating a coordinated immigration policy for Brussels.

Denmark

20. In Denmark, GDP growth slumped from the high rate of 3.4 % achieved in 1986 to - 0.1 % in 1987. As a result, employment growth also fell back, but to a lesser extent, reaching 1.1 % compared with 2.3 % in 1986. The unemployment rate in December was 7.9 % of the labour force and the average for the year is expected to increase slightly from 7.4 % in 1986 to 7.6 % in 1987.

Employment policy in Denmark is based upon an active labour market policy strategy which aims at solving both the short-term and long-term adaptation problems on the labour market. Efforts concentrate on both improved surveillance of the labour market and intensified placement and guidance efforts by the public employment service. Furthermore, greater resources have been devoted to vocational training in occupational fields facing bottlenecks.

The active labour market policy focusses on the following main themes :

- a significant improvement in the surveillance of the labour market. This is the prerequisite of prompt and specifically targeted initiatives to tackle problems on the labour market;
- effective placement activities. These ensure that labour supply and demand are matched rapidly and effectively;
- coherent and specifically targeted guidance activities. These enhance the foundations for choosing education and employment;
- education/training measures. These will ensure that the skills of the labour force are attuned to the needs of enterprises;
- reform of specific measures to satisfy the needs of particularly disadvantaged groups. This applies particularly to the older sections of the youth generation who have not yet gained a foothold on the labour market and to long-term unemployed women.

A number of measures were also taken to combat youth unemployment.

First, the age limit was raised so that persons under 30 years of age (previously 25) can now participate in youth measures. These changes also enable particularly disadvantaged groups, such as immigrants, unskilled women or other specific groups with a specially high level of unemployment, to participate in these measures.

From the preparatory work it can be seen that the primary objective of the legislation is for youth measures to benefit young persons under the age of 30. Local authorities are given the possibility of initiating such activities for specific groups of persons who are over 29 years of age and are particularly affected by unemployment in the locality.

This change should be seen in the light of the fact that unemployment problems are now also seriously affecting young persons in the 25-29 year age group. These, together with the 20-24 year age group, have the highest rate of unemployment in Denmark today.

Secondly, the legislation prolonged the statutory obligation on local authorities to combat youth unemployment. Since 1978 the municipalities and counties have had a statutory obligation to earmark a specified amount per inhabitant for measures to combat youth unemployment. This obligation should have expired by the end of 1986 but has now been prolonged into 1987.

This means that each municipality and county in Denmark will be spending DKR 130 and DKR 10 per inhabitant respectively on measures to combat unemployment among young persons under the age of 30.

With the national action plan for equality Denmark has taken an important step in the direction of improving women's rights.

The plan is based on the ideas contained in the document "Forward Looking Strategies up to Year 2000" adopted by the UN Women's conference in Nairobi in 1985.

According to the action plan the most important equality problem is the high level of unemployment among women.

Women account for 45 % of the labour force and in the early months of 1987 their share of unemployment was about 58 %. The problem is further accentuated by the fact that the majority of the new labour market entrants are also women.

At the same time there is a shortage of labour in certain occupational fields - typically, in fields where women are not traditionally employed. Due to the smaller numbers of young people entering the labour market in the future the employers can foresee recruitment problems in occupations which are traditionally dominated by men.

21. Several initiatives have been taken to promote the learning of Danish as well as the mother tongue of immigrant children. Mothers can attend Danish classes while their children are being taken care of in nurseries where they speak their mother tongue and are introduced to institutional life.

The Employment Act has been revised to combat unemployment among less favoured groups such as immigrant workers.

The Minister for Social Affairs rejected demands for the introduction of an obligatory quota system or at least financial compensation for districts with a high proportion of foreigners. Instead, she advocated tolerance of different cultures.

The Ministry of the Interior has published a report on immigrant housing. 75 % of immigrants live in 20 municipalities and are concentrated in certain districts and buildings. The concentration can give a feeling of security especially for the immigrant women, but the consequences are presumably negative as regards the integration of immigrants into Danish society.

The Committee on Immigrant Children and their Living Conditions instituted by the Ministry of Social Affairs has published a report. The Committee proposes increased and better information for both immigrants and Danish nationals and underlines the importance of placing immigrant children together with Danish children in kindergartens and day-care centres. It also stresses the need for bilingual teachers and education specialists.

Federal Republic of Germany

22. In Germany, GDP growth was somewhat slower in 1987, at around 1.8 % compared with 2.6 % in 1986. Employment growth was also slower, at 0.7 % as against 1.0 % in 1986. Consequently, unemployment is now expected to increase. After reaching 8.4% of the labour force in December, the average rate of unemployment for the year is expected to be 8.1 %, the same as in 1986.

During the year, the German government undertook a major revision of the law governing employment policy with the adoption of the bill for the 8th amendment of the Labour Promotion Act (AFG). The bill passed by the Federal government on 23 July has the following aims :

- to complete the battery of active labour market policy instruments;
- to broaden and improve placement possibilities;
- to contribute to protecting the community from the fraudulent drawing of unemployment benefits;
- to help companies to solve personnel problems in a socially acceptable way and
- to contribute to simplifying administrative procedures in the employment offices.

Active labour market policy

The active labour market policy will be complemented by, in particular, the following measures :

- Specific help will be targeted at older unemployed persons.
- By means of the Federal government's disadvantaged persons' programme, disadvantaged young people, especially those who have left Hauptschule (short course secondary school) without a leaving certificate or who have attended special schools (Sonderschulen), are being helped to complete qualified vocational training.
- Language courses for Aussiedler (resettlers, i.e. Germans who have come to the Federal Republic from east European countries), political refugees (persons seeking political asylum) and quota refugees are being taken into the catalogue of the BA's tasks.

Jobseekers living near the Franco-German border can now receive information on job offers across the border from their own labour office. This is the outcome of an agreement between the director general of the French (ANPE) and the president of the German (BA) employment bodies. There are currently some 17,000 cross-border commuters in both directions between France and the Federal Republic of Germany. The legal basis for this is the freedom of movement provisions of the European Community. On this basis and following an initiative of the European Commission, France and the Federal Republic of Germany had, as early as 1982 and 1983, declared their willingness to exchange job offers in the border areas of Alsace-Lorraine, Rhineland-Palatinate, Saarland and Baden-Württemberg. The job offer exchange was tested over a one-year period during which no major problems arose. Cooperation between the French and German employment offices went off without any major hitches, difficulties only arising when interested jobseekers did not have sufficient mastery of the foreign language in question.

Developments on the labour market as well as the workload of the employment offices underline the need to introduce in computerised placement as a priority in all employment offices. Of the 628 offices, some 450 are currently computerised as regards placement and employment counselling, albeit with different functional facilities.

Two steps in the approach have already been generalised : "management of vacancies" and "exploitation of data on benefit recipients". Computerised management of data on jobseekers has been successfully tested in the employment offices in Frankfurt and Darmstadt and is now being extended to the whole of the country. The automatic storage of the data on jobseekers also creates the necessary conditions for the computerised compilation of statistics on jobseekers.

23. In February, the first seven German-language teachers took up their posts in Turkey under the 1986 German/Turkish cultural agreement. Some 80 German-teachers are to support their Turkish colleagues in teaching the German language to thousands of Turkish children who have returned home and need special assistance to integrate into the Turkish school system. Some 200 000 immigrants have returned to Turkey in the framework of the repatriation programme.

A question was brought before the Constitutional Court regarding the compatibility with the Constitution of the law which in the case of marriage imposes a waiting period of one to three years, depending on the Land concerned, for nationals of non-Community countries before the spouse can come to join the family.

The trade union federation (DGB), the employers' association (BDA) and the churches have published a joint declaration concerning improved legal protection for foreigners, greater participation in the social and political life of the country and a sustained effort to reduce unemployment among migrant workers (14 % in 1986 against 9 % for the Federal Republic of Germany as a whole).

Foreigners account for 11.6 % of those receiving social assistance.

Although the trend is very promising, the overall situation as regards the training of young foreigners is not yet satisfactory. It is estimated that no more than one third of young foreigners aged between 15 and 18 complete vocational training or continue at ordinary school. About two thirds of young foreigners of school age still have no vocational qualifications.

Greece

24. The economic situation deteriorated sharply in Greece in 1987. GDP fell by 0.6% in the year compared with growth of 1.3% in 1986. Total employment also fell by 1.0% after only growing by 0.1% in 1986. Nevertheless, unemployment remained reasonably stable: the number of unemployed was 137,000 in December and the average rate for the year is expected to be the same as in 1986 at 7.5%.

Under these circumstances a major role is given to job creation programmes in Greek employment policy and the following schemes, some renewing existing schemes, constitute the 1987 job creation programme :

- a project for the creation of 12,000 new jobs for young people under 25 years of age and of 15,000 new jobs for those over 25 years of age. This programme provides finance for private enterprises, cooperatives, organisations and municipalities for hiring new employees without dismissing existing personnel ;
- a financial grant programme of DRA 300,000 each for funding 2,000 young persons up to the age of 25 and 3,000 persons over that age who wish to become self-employed. For enrolment on the programme, the following conditions have to be fulfilled :
 - the economic activity of the person must be his/her main occupation;
 - the business must be new, employing less than 10 persons and be a permanent establishment, not being seasonal in character ;
- a programme financing the creation of new jobs for 1,600 handicapped persons ;
- a programme financing the redesign of workplaces for 200 disabled persons.

Continuing its efforts to fight unemployment, OAED (the employment service) has started funding those unemployed who wish either to become self-employed or to create their own small enterprise or cooperative.

In this way, OAED is strengthening its financial and technical support for initiatives taken by unemployed young people.

The programme provides the following financial support :

- each unemployed person who wants to start up on his own is funded up to the total sum of DRA 200,000
- where unemployed young people cooperate to create cooperatives or companies, there is the possibility of financing more than one of them, with a limit of seven persons.

The prerequisites for enrolment on the programme are as follows :

- the new economic activity must be the main occupation of the persons enrolling on the programme;
- to be eligible for the programme, the enterprise must be new, employ less than ten persons and be a permanent establishment. It must not be seasonal in character or have any connection with import trade, gambling or politics.

25. For some years the number of Greek migrants returning home has exceeded the number leaving for abroad. From 1988, the date of entry into force of freedom of movement for workers from Greece, a certain equilibrium can be expected between the numbers returning and departing migrants.

The Greek authorities' main concern is to facilitate the re-integration of migrant children in the national education system and of migrant adults in the economy of the country.

There have been no significant changes in the migratory movement of foreigners to Greece, apart from an increase in the number of political refugees seeking asylum, and a number that is difficult to assess of foreign workers in an irregular situation, especially in the tourism sector, despite the penalties specified in the national regulations that have been in force since 1983.

Spain

26. The economic situation continued to improve in Spain in 1987. GDP growth rose from 3.3 % in 1986 to 5.2 % in 1987 and employment growth accelerated to 3.0 % from 2.0 % in 1986. As a result, unemployment continued to fall to reach 22 % of the labour force for 1987.

In December 1987 unemployment was nearly 3 024 000 , 0,5% up on the same month of the previous year, but this is explained by an increase in the volume of female unemployment, up by 6.1%, while male unemployment fell by 5.4 %.

Policy developments in 1987 covered a wide range of measures reflecting the government's efforts to combat unemployment, beginning with a major reform of the public employment services.

INEM is the national employment institute responsible for administering employment policy : placement, vocational training and guidance, employment incentives and unemployment benefits.

The main changes concern the central structure depending on the Directorate General of INEM. This reflects the priority given to INEM of carrying out administrative and executive functions which are clearly distinct from other central managerial functions such as designing, programming and setting out regulations, evaluations and the follow-up of employment policy.

The government has also introduced major changes in the law governing cooperatives.

The General Law on Cooperatives No 3/1987 of 2 April brings Spanish legislation into line with that of the Community, thereby promoting entrepreneurship as well as majority participation and democratic control by members.

There are various types of cooperatives : those of "associated work", agricultural cooperatives and workers' partnerships. All can draw on direct aid from the Ministry of Labour and Social Security.

Chapter III of the new law is devoted to "asociacionismo cooperativo." This opens up the possibility for free voluntary groupings to be set up in Cooperative Unions, Federations and Confederations without thereby prejudicing their right to invoke the general legislation governing the freedom of association.

The ministerial decree of 28 February 1987 governs geographical mobility aids for unemployed persons registered at employment offices (and their families) in cases where, having been offered a job, they have to leave their normal place of residence for another location within the country.

Two types of aid are available : on the one hand those designed to ease the removal of the worker and his family from his home to his new place of work, and, on the other, a set of social measures which were not included in the previous regulations.

27. The Government has enacted appropriate legislation to counter the increase in irregular immigration.

In July the Constitutional Court handed down a ruling repealing three articles of the law on foreigners, thus giving judges the right to cancel administrative expulsion orders against foreigners.

The provisions of the Order of 30 January 1987¹ regulate the award of funds for measures to assist migrant workers and their families. The measures concern returning migrants, activities to assist the integration of Spanish migrants in host countries and the social and economic integration of foreign workers in Spain.

¹ Order of 30 January 1987 which provides for and regulates the award of economic assistance to carry out programmes and actions to promote integration and provide social assistance for emigrants and their families.
(OJ No 48, 18.2.1987).

A Royal Decree of 30 October 1987 (1) set up a General Emigration Council (Consejo General de la Emigración) and Councils in the Spanish consular districts to improve the institutional participation of Spanish nationals resident abroad.

France

28. The economic situation deteriorated somewhat in 1987. GDP growth remained stable, rising from 2.1 % in 1986 to 2.2 % in 1987 and employment growth slipped back from the low level of 0.3 % in 1986 to 0.0 % in 1987. The average rate of unemployment for the year as whole should remain at the same level as in 1986, i.e. 11.2 %. By December unemployment was 2.7 million or 11.4 % of the labour force.

The government took a series of measures in 1987 relating to placement and dismissals procedure.

The law of 30 December 1986 concerning dismissals procedures completes the law of 3 July 1986 which only partially abolished the procedure for prior official authorisation when declaring redundancies.

The new law also modifies the procedure for individual dismissals.

1. Procedure for individual dismissal

This procedure has been modified on two points :

- from now on, before any dismissal (individual or collective) or redundancy can take place, the person in question has to be called to an interview;
- the employer is required to state in writing the reasons for the dismissal.

(1) Royal Decree of 30 October on institutional channels for the participation of Spanish nationals resident abroad.

2. Redundancy procedures

The new law distinguishes three cases :

2.1. Individual redundancy

Here the procedure includes informing the competent public authorities of the dismissal made.

2.2. Dismissal of 2 to 9 employees in a period of 30 days

In these cases, in addition to the matters set out under 1, the law lays down that the enterprise must inform and consult the works council on the proposed reduction in numbers and the implementing provisions.

2.3. Dismissal of 10 or more employees in a period of 30 days

The employer must :

- inform and consult the works council on proposed redundancies and measures envisaged to avoid dismissals or limit their number and to facilitate the redeployment of employees made redundant;
- notify the competent public authorities of the proposed dismissal;
- notify the employees concerned of their dismissal within a time period starting from the moment of notifying the public authorities;
- from now on the labour courts settle matters in dispute on redundancies, as well as individual and collective dismissals.

At the same time, the government adopted new provisions concerning the placement of jobseekers, through a new legal framework in which the national employment agency (ANPE) operates.

ANPE provides the public placement service. However, provided they are competent and willing to act in favour of employment, various bodies can cooperate in their capacity as ANPE correspondent in the public placement service, following an agreement with ANPE.

The provision that every jobseeker must be registered with ANPE and that every employer has to notify ANPE of every job vacancy within his/her enterprise, has not been altered.

The government also adopted its 1987 action programme for the adult long-term unemployed.

The strong rise of long-term adult unemployment which could be observed from September 1983 as well as the stabilising role of specific actions undertaken over the last years bear witness to the need to launch a broad scale programme for 1987 drawing on a variety of instruments in order to take account of the range of difficulties facing the adult LTUs concerned. The 1987 programme consists of three parts :

1. Vocational training

Three types of vocational training activities will be run in 1987 :

- increasing to 240,000 places the programme of classical "insertion traineeships" for young and adult LTUs;
- renewal for 1987 of activities foreseen in 1986 for 7,000 women living alone;
- bringing in "alternating reintegration contracts" and "alternating reintegration traineeships" enabling adult LTUs to be reintegrated in enterprises.

2. Implementing reintegration through work

Not all LTUs are in a position to benefit from training. Those who have been longest out of the labour market need a period of "resocialisation" by immersion into working life. Adult LTUs in receipt of specific solidarity allowances fall into this category.

3. Exemptions from employers' social security contributions

A system is being introduced involving a 50 % exemption from employers' charges for hiring an LTU in the three months following the completion of a traineeship or a reintegration into working life action. Experience with previous schemes shows that their impact on the vocational reintegration of the adult unemployed is by no means negligible.

29. The Government has set up a committee of experts to deliver an opinion on a proposal for the reform of the nationality code which has been the subject of passionate debate for months in France.

The Minister for Social Affairs and Employment has announced his intention of transforming the National Immigration Office into the International Migration Office (Office des Migrations Internationales) which will also be concerned with questions concerning French nationals abroad.

The President of the parliamentary assembly of the Council of Europe called on the French Prime Minister to extend the number of countries exempt from visa requirements to all the Member States of the Council of Europe.

A circular of 15 January 1987 extended to overseas departments legislation concerning the employment of foreign labour.

Since the law of 9 September 1987 the administration is not required to issue a residence and work permit to the foreign wife of a French national during the first year of marriage in order to combat marriages of convenience.

Under the implementing Decree of 8 August 1987, airport and frontier police are authorized to check whether foreigners have sufficient funds, a return ticket, a hotel reservation or private accommodation.

In June the Minister of Social Affairs and Employment announced to the National Assembly the Government's intention to reinforce legal provisions to combat racism and xenophobia.

An agreement was signed on 7 May 1987 covering reintegration into the Senegalese economy and the training of Senegalese nationals in receipt of French public reintegration aid who wish to return home.

Ireland

30. In Ireland, despite an acceleration of GDP growth from - 0.3 % in 1986 to an estimated 4.8 % in 1987, employment fell again, by 0.9 %, following a decline of 0.4 % in 1986. As a result, the unemployment situation continues to deteriorate : in December there were 250,000 people unemployed, equivalent to 19.4 % of the labour force. For the year as a whole, the unemployment rate is expected to average 19.2 %, up from the 18.4 % recorded in 1986.

In September 1986, the Government published a White Paper on Manpower Policy whose purpose is to define the role of manpower policy in present circumstances, identify its contribution to overall employment policy and set down guidelines for its development over the next five years.

Government policy in relation to four key areas of activity is outlined in the white Paper : transition to working life, training, special labour market measures, placement and guidance services.

In order to implement the programmes outlined above in the most efficient and cost-effective manner, the Government has decided to fuse the three existing manpower agencies (AnCO - the National Training Authority; the National Manpower Service; and the Youth Employment Agency) into a single body.

The Job Search Programme was introduced on a pilot basis in September 1986. It has now been extended to the entire country. The programme is designed to help the unemployed, particularly the long-term unemployed, by improving their job searching skills and giving them access to training and employment schemes.

The participants will be able to avail themselves of more than 50,000 places which have been reserved for them on various manpower programmes and schemes. These include a special 4-week job search course incorporating instructions, advice and coaching in job-finding skills and the use of facilities.

The Women in Business Programme administered by the Department of Industry and Commerce is designed to encourage more women to set up their own businesses. The programme involves liaison with the various state agencies to promote more direct attempts to encourage women entrepreneurs. In addition, a free consultancy service is available to provide advice and information to those with business ideas. Where queries cannot be dealt with adequately by phone, an individual session can be arranged with a business consultant at any one of a number of centres throughout the country.

31. The National Manpower Service (NMS) is responsible for implementing procedures governing the free movement of workers within the European Community and participates in the SEDOC Information Exchange System. It has developed a comprehensive information and counselling service for intending emigrants, including briefing sessions for NMS staff on problems encountered by emigrants, the production of predeparture information packs and a poster campaign publicising its advisory services, all of which are aimed at discouraging unplanned migration. FAS (1), the Manpower Services Authority, which will subsume the NMS functions on 1 January 1988, has been given statutory powers to assist persons seeking employment elsewhere in the Community.

In addition to the advisory services provided by the NMS, the Government gives grants to voluntary welfare bodies which employ professional workers in the provision of reception services in the United Kingdom for newly arrived migrants from Ireland. Grants are paid on the recommendation of an advisory committee, which advises the Minister for Labour on emigrant welfare problems generally.

¹ Foras Aiseanna Saothair

Italy

32. While economic growth continued to accelerate in Italy, the employment and unemployment situation failed to benefit significantly. With GDP growth rising from 2.7 % in 1986 to 3.1 % in 1987, employment growth remained stable at 0.8 %, but the unemployment rate is expected to rise from 13.7 % in 1986 to 14.2 % in 1987 on average for the year as a whole. By December it had reached 14.2 % of the labour force or 3 447 000 people.

At the beginning of the year, the Minister of Labour presented a report on employment policy over the next ten years and proposed measures for the next three years.

It sets out the restructuring activities taken by the ministry as a result of the legislative measures aimed at reforming placement and its agencies. In conclusion it presents the policies to be adopted in the coming triennium striving for greater flexibility in placement reform, in the regional employment commissions, employment agencies, income support measures for the unemployed working time and part-time work.

The government proposed a bill providing for the financing of public interest projects of a maximum duration of 12 months.

Such projects require the recruitment of young people between the age of 18 and 25 who are unemployed and registered on the placement lists. The persons concerned will be hired for a fixed term based on the duration of the projects. Employment will be part-time and the hourly payment will replace the unemployment benefit which might be due.

The government also introduced a bill on "positive actions for bringing about equality between men and women". Its aim is to foster women's employment by bringing down the barriers impeding the complete equality of opportunity in employment.

The measure encourages public and private employers, trade-union organisations and public administrations to adopt special measures for women so as to achieve real equality between the sexes. The exact contents of the "positive actions" are not defined within the law. For carrying out "positive action" projects, a total or part reimbursement of financial expenses is foreseen.

The measure also provides for the establishment of a National Commission for implementing the Principles of Equal Treatment and Opportunity between Men and Women at Work (CNP).

Decree-law No 212 of 1 June 1987 brings in important regulations designed to facilitate production by small and medium-sized industrial firms and artisan firms. The decree provides for grants-in-aid to be given for purchasing machinery and various tools as well as systems for increasing automation and robotisation within small and medium-sized companies.

On the other hand, a "National Fund for Crafts" has been set up by the decree-law for financing programmes and projects supporting and enhancing crafts and trades and developing craft production.

The government also presented a bill to parliament aimed at reorganising the Cassa Integrazione Guadagni - CIG (the Wage Compensation Fund), the mobility of surplus manpower and the daily unemployment benefit.

The measure seeks to make the "exit mechanisms" of the labour force more suitable to the current needs of the labour market, providing for a significant reform of the whole area.

33. On 27 January 1987 Law No 943 came into effect on the placement and residence of foreign workers in Italy (Legge 943 sul collocamento ed il trattamento dei lavoratori extracomunitari) together with an amnesty for workers in an irregular situation.

However, from the first returns it would appear that most illegal immigrants prefer their clandestine situation either for fear of losing their illegal employment or through mistrust of the authorities. This is why on 28 August the Government extended the arrangements for legalizing the situation.

A Decree of 10 October 1986 improving social protection for Italian workers employed in non-Community countries (Decreto Legge per la tutela dei lavoratori italiani operanti all'estero nei paesi extracomunitari) was adopted.

Five draft laws have been announced convening the second national conference on emmigration, concerning coordination on migration between central government and the Regions, educational measures for Italian communities abroad, elimination of consitutional obstacles to voting rights at local level and updating the register (anagrafe) of Italians abroad.

Luxembourg

34. In Luxembourg, GDP growth has slipped back from the rate achieved in 1986 (2.9%) but remains at the positive rate of 2%. Employment growth has remained stable, however, and is expected to reach 2.7% in 1987 compared with 2.6% in 1986. Unemployment remains the lowest in the Community, with an average rate for the year as a whole of 1.7%, up slightly from 1.4% in 1986.

Employment policy continues to be largely based on maintaining employment and easing the adaptation problems of the shrinking European steel industry, with the continuation of all the measures adopted in previous years.

During the year the government introduced a new measure to combat poverty. The government's aim is to combat poverty and, by means of bringing in a guaranteed minimum income, to ensure that all citizens have the minimum means of existence.

Studies show that 8% of households in Luxembourg live in precarious circumstances and 18% on the poverty line.

The law adopts a universalist approach. This foresees a generalised guarantee for a minimum standard of living for everybody, irrespective of the reasons for the lack of resources. Thus, according to the law, everybody has the right to a guaranteed minimum income, the level of which is determined according to the make-up of the household of which that person is a part.

Given this universalist approach, it was necessary to write into the law certain restrictions on this right so as to avoid abuses. Hence, to be able to claim a guaranteed minimum income the person must be domiciled on Luxembourg territory and have resided there for at least 10 years; be aged at least 30 years and be available for the labour market.

Nevertheless, persons aged more than 60 years, persons who are unable to work through illness or incapacity or single-parent families may still qualify even if the second two conditions are not fulfilled.

The law furthermore sets out a certain number of connected or subsidiary measures concerning health care which are given to beneficiaries who are not otherwise covered.

35. There has been little change in the situation of migrant workers in Luxembourg. The Minister of Labour noted that while the presence of some 55 000 foreign workers (38 % of total workforce and 27,6 % of the total population) represented a social challenge, it was also a great advantage for the economy of the country.

Particular attention has been given to the question of political refugees due to the increase in the inflow of persons seeking asylum and the need to provide appropriate aid for their integration in the country. An increase was also recorded in the numbers of frontier workers and seasonal workers in the building, hotel/catering and agricultural sectors.

Netherlands

36. In the Netherlands, GDP growth fell back slightly in 1987 to 2.2 % compared with 2.4 % in 1986. Employment growth also fell, from 1.8 % in 1986 to 1.4 % in 1987. An improvement in the unemployment situation is still expected however, with the average rate of unemployment for the year falling to 11.9 % from 12.1 % in 1986.

At the beginning of the year, the government published a policy discussion document setting out its policy strategy for reducing unemployment by 200,000 by 1990.

It outlines a range of measures which, together with the overall socio-economic policy, are aimed at reducing unemployment among various groups.

Higher output and employment levels will be achieved by cutting down on public expenditure, restraining costs and encouraging investment growth, more training, technological innovation and deregulation.

Work needs to be redistributed, and additional part-time jobs will be created particularly in public administration and in the State-supported sectors.

The introduction of the youth employment guarantee scheme will bring about a reduction of youth unemployment provided the target group in question is reached.

The government furthermore considers it necessary to step up training by intensifying industry's training efforts and having unemployed people participate in training programmes in firms.

In line with this document, the government announced the development of the Youth Employment Guarantee Scheme (JWG).

The purpose of the JWG scheme is to guarantee a job and hence income for all those under 21 years of age who have not yet found a job or embarked on further training. The target group includes people who left school more than six months ago, who have been unemployed for more than six months or who, having previously had a job, are now unemployed.

The scheme will be phased in to become fully operational in only a few years' time. Ultimately some 35,000 jobs will be involved. It will be introduced in the course of 1988.

The government also introduced the MLW - the Scheme for the Long-Term Unemployed. Under the MLW, employers are exempt from paying social security contributions for a specified period if, between 1 October 1986 and 31 December 1987, they contractually hire an LTU either for an indefinite period or for a fixed term of at least 6 months.

A new scheme was launched on 1 January 1987 for supporting training for people within firms. It takes over from the current joint government-industry training scheme (SOB) and the Study Allowance Scheme (SKR). The aim is, among other things, designed to remove bottlenecks which can arise when applying SOB and SKR.

The new training scheme is designed to create a framework for supporting and encouraging the unemployed as well as those in work to go in for training with the assistance of the employment office.

The scheme provides for careful adaptations to the regional circumstances of the labour market.

A Bill was introduced to reform the legislation on equal treatment between men and women by bringing in clearer and hence more effective legislation for the workplace.

The Bill set out to combine into a single act the three existing acts on equal pay for women and men, equal treatment between men and women and equal treatment between men and women in the public administration.

37. To combat unemployment among immigrants resident in the Netherlands the Minister for the Interior put forward a draft law allowing foreigners to apply for certain posts in the public service.

A draft law amending the law on foreigners was tabled amending procedures for admission to the country, residence and the right to appeal.

The rules relating to refugees adopted in April have had the effect of considerably reducing the number of new applicants for asylum.

The 1987 Government Scheme for the Welfare of Minorities contained the following major items : measures to combat discrimination, fostering cultural expressions of ethnic minorities, promotion of supportive networks for various categories of minority groups.

The Government has announced cuts in the financial aid granted for special educational assistance to foreign children. This decision has met with protests from the four biggest cities faced with educational problems of underprivileged pupils.

Experimental measures to assist migrants to return home voluntarily have been extended : unemployed workers over 50 may retain unemployment benefit when they return to their country of origin; participation in travel costs and initial installation have also been continued.

Portugal

38. In Portugal, the rate of growth of the GDP continues to be one of the highest in the Community at 4.6%, i.e. up from 4.3% in 1986. Employment growth has risen sharply, up to 2.7% from 0.0% in 1986. As a result, a significant improvement is expected in the unemployment situation, with the average rate for the year down to 7.2% from 8.6% in 1986.

The government's 1987-1994 programme for correcting the structural imbalances of the Portuguese economy was published in April 1987. It sets out a medium-term economic strategy, providing a framework for specific employment promotion initiatives.

Among other things, the first phase (1987-1990) seeks to achieve an annual average real increase in output of some 4%; an annual average real increase in investments of some 8-10%; an annual average growth in productivity of 2.5-3% as well as the restructuring of the system of production and an annual increase in employment of about 1% with a reduction in the rate of unemployment to 7.2% by 1990.

In January, a scheme was introduced with the aim of providing financial support for persons who have successfully completed vocational training at state training centres and who want to create their own employment. The experimental programme is for young people under 25 or the long-term unemployed who finished their course in the second half of 1986.

IEFP, the national employment and vocational training institute, is currently carrying out two projects, cofinanced by the ESF, aimed at vocational training and integration of young unemployed women in traditionally male jobs. The first started in 1986 and ended in 1987. It involved 36 unqualified unemployed young women under 25 years of age from three regions.

In this project 50% of the training places are reserved for women. Support and financial assistance towards day-care for participants' children is provided throughout the period of training.

The second project started in 1987 and will end in 1989. It is taking place in one region and is similar to the first project.

To enable these young women to enter the labour market as self-employed persons, occupational training will be completed by management training in setting up a small firm or a cooperative.

39. With the adoption of Decree-Law No 14/87 of 9 January 1987, an interministerial committee for emigration and the Portuguese communities abroad was set up with consultative status vis-à-vis the government.

The committee's tasks include the coordination and orientation of emigration policies and the identification of the needs of Portuguese communities abroad while acting as their spokesman with the authorities.

United Kingdom

40. The United Kingdom economy continues to be among the most buoyant in the Community. GDP growth rose again during 1987 to 3.6 % up from 2.9 % in 1986. Employment growth also strengthened to 1.7 %, up from 0.4 % in 1986. A further reduction in unemployment is expected, with the average rate for the year down to 10.8% from 12.1 % in 1986.

A major new package of measures was announced at the beginning of the year.

People who have spent over six months unemployed will be helped in two ways.

The new Job Training Scheme is to be extended nationwide from the end of March. Priority will be given to those under 25. They will get six months of training leading to a recognised vocational qualification.

The Restart Programme is to be built on in two ways. From the end of March anyone who becomes unemployed for more than six months will be offered a wide range of ways back into work including the new Job Training Scheme. The counselling programme will also be extended to provide interviews at regular six-monthly intervals.

There will also be more help for new entrants to the labour market, whether working for someone else or for themselves.

The guarantee of training under YTS is to be extended to every unemployed 17 year old school-leaver. With the existing guarantee for unemployed 16 year olds and the introduction of Two Year YTS, every unemployed young person under 18 will have the chance of training leading to a recognised qualification.

There is to be a further expansion of 10 per cent in the highly successful Enterprise Allowance Scheme. Another 10,000 unemployed people will be able to enter the Scheme over the next financial year to obtain help in setting up their own business.

The Job Splitting Scheme, which opened in January 1983, was designed to help employers create part-time jobs for unemployed people. On 1 April 1987 the Scheme was relaunched under the new title of Jobshare. There are three ways that Jobshare can be used :

1. Dividing an existing full-time job for the holder of the full-time job that is being divided or someone who is claiming at an unemployment benefit office or is under notice of redundancy or is leaving particular government schemes and has not worked since.
2. Creating new part-time jobs for people leaving particular Government schemes who have not worked since.
3. Convert regular overtime into a part-time job for people who are claiming at an unemployment benefit office or are under notice of redundancy or are leaving particular government schemes and have not worked since.

Women are now able to work the same hours as men, except for nightwork, in industrial and commercial jobs. The restrictions which regulate the hours and time women can work in factories, mines and quarries have been lifted by repeals provided for in the Sex Discrimination Act 1986.

The current restriction on women working at night in those industrial sectors, as well as on construction sites, will remain at least until February 1988 because of the UK's obligations under the European Social Charter. The repeals mark another step towards equality of opportunity for women. Employers will also benefit from the elimination of the paperwork that the current restrictions involve.

The Employment Bill, introduced on October 22, proposes changes to the constitution and functions of the Manpower Services Commission and for it to be known as the Training Commission.

The new Commission will continue to develop its existing provision for the vocational education and training of young people and adults including the youth training scheme and the job training scheme. It will also run the Community programme, community industry and the voluntary projects programme.

An integrated Employment Service directly operated by the Department of Employment will provide a full range of services for unemployed people including the payment of benefit, help and advice to unemployed and other jobseekers and job placement.

41. The Government's Immigration Bill promised in the Queen's Speech in June was published in November 1987. The bill is intended to "reinforce the system of firm but fair immigration control" and seeks to make five major changes to current immigration controls.

On 15 January, the London Metropolitan Police started a programme aimed at combatting racism. Its commissioner said that he acknowledged the need to achieve a better relationship between the police and the ethnic minorities, especially among the young.

A campaign has been launched by several organisations to have included in the Family Law Reform Bill the situation of illegitimate children discriminated against in the British Nationality Act 1981 where the child of unmarried parents receives the mother's nationality, even if a British father acknowledges his paternity.

Local authorities have no obligation to provide housing for homeless families who have recently emigrated to Britain, the High Court ruled on August 4. They have power to provide assistance in housing but no duty.

Chapter II

EDUCATION

Trends in the Community

42. The optimization of the use of human resources is more essential than ever given such EC targets as the completion of the internal market by the end of 1992 and the strengthening of economic and social cohesion. What is involved is a quality leap which is important from two aspects: one, the means of taking up external challenges and of rediscovering the path of stronger economic growth, leading to the creation of more jobs, and the other, the construction of a People's Europe.

A great challenge to face is the still persistently high and long-term unemployment, affecting particularly young people. A common concern of the Member States is to enact a more effective strategy for the transition of young people from school to adult and working life.

Member States have promoted the quality of education and training in order to offer young people the possibility of rapid integration into the working world by encouraging :

- the impact of the new information technologies in general education and training;
- education and vocational guidance in schools ;
- initial and in-service training of teachers ;
- further education courses for young people and adults ;
- vocational training of young people.

A further step towards a People's Europe was the adoption of the ERASMUS (European Action Scheme for the Mobility of University Students) programme at the meeting of the Council of Education Ministers in May 1987. ERASMUS aims to increase student mobility and involves four lines of action: the establishment and operation of a European cooperation network between universities; direct financial support for students pursuing a period of study at a university in another Member State; measures to improve the academic recognition of diplomas and study periods in another Member State; and further measures such as conferences, intensive courses, ERASMUS prizes, etc.

43. The diversity of the other subjects dealt with in the Council provide an indication of an increasing breadth of Community cooperation in the field of education. These subjects concern :

- the adoption of an initial programme of Community measures in favour of the educational integration of handicapped pupils
- the pursuit of the Community programme to combat illiteracy
- the promotion of in-service training for teachers
- the tackling of the problem of school failure
- the introduction of the European dimension in schools
- the promotion of foreign-language teaching
- the measures proposed by the Commission to combat AIDS, cancer and drug abuse, the preventive aspects of which are of direct concern to education.

Development of the situation in the Member StatesBelgium

44. Further progress is being made in the computerization of the educational and schools administration. From September requests for information concerning all Flemish schools will be made on forms designed for electronic data exchange. In the autumn the network will be expanded with the acquisition of ten experimental units (25 schools).

Without detracting from the exceptional importance of primary education, it can be said that, as a result of the raising of the school leaving age, secondary education has genuinely become the backbone of the entire education system for the first time. Reflection and deliberation over the future of this secondary education sector is proceeding formally and informally on many levels both within and between networks and systems. Both employers and employees are also affected by the problems of full-time schooling, further education courses and the recently launched linked work and training schemes.

The organization from 1 September 1987 of the seventh year of secondary vocational education (three types of course, A, B and C, the last two of which lead to the Certificate of Advanced Secondary Education (CESS)) means that vocational education is finally emerging from the ghetto. In future some pupils having received this kind of education will have access to certain forms of higher education (Circular I/JD/YA/87/743 of 10 June 1987).

In vocational education innovations already introduced were pursued. The experiments on linked work and training were continued with support from the European Communities; the results so far have been good.

The reorganization and planning of extended full-time secondary education entails changes in the plans for rationalization and planning

of the shorter type of secondary education and legislation relating to the organization of the longer type of (upper) secondary education. (Royal Decree No 541 of 31 March 1987).

Modifications have been made in the curriculum for lower secondary education: provision is no longer made for the study of two foreign languages in the first year, but simply for the choice of one foreign language and in the second year the choice of an optional third language (Circular I/JD/MSD/87/655 of 25 May 1987).

Royal Decrees No 539 and No 540 of 31 March 1987 regulate the framework in secondary education for the 1987-88 school year on the basis of a school weighting per pupil. An attempt will be made to replace this weighting gradually by 1 September 1988 by a differentiated pupil weighting.

An experimental system of secondary education based on a reduced timetable has been organised in order to comply with the requirement for part-time compulsory schooling; classes are given for forty weeks at the rate of fifteen 50-minute classes per week. The infrastructures for these courses have been improved (Royal Decree of 12 December 1986, published in the Belgian Official Gazette of 10 February 1987).

45. The Royal Decree of 11 May 1987 regulates the award of the certificate of aptitude; in future the class council or teaching staff will decide whether or not to award the diploma to pupils in the sixth school year of general, technical or artistic secondary education. The certificate of aptitude has become the prerequisite for embarking on long-course higher education without sitting an entrance examination.

For early school-leavers part-time education was further extended and as far as possible linked to an industrial apprenticeship contract; training for young people is linked to more work experience. Young people over the age of 18 years are now also admitted to part-time education.

Royal Decree No. 461 of 17 September 1986 was intended to rationalize further education courses in both the secondary and higher education sectors. Well devised curriculum planning with the cooperation of the socio-economic partners in the regional employment committees opens up good prospects for further growth in this increasingly important education sector.

Various policy options are defined for non-university higher education on the basis of a number of specific provisions related to technological and demographic change :

- urgent adaptation of the education to the new requirements of society by replacing outdated training courses;
- a balance between supply and demand in graduates qualified to teach by reducing the surplus capacity in teacher training courses;
- concentration of the supply of education in centres for higher education by restricting the number of establishments and possibilities for restructuring both in long-course higher education and short-course education.

Royal Decree No 543 of 31 March 1987 amends the Law on the financing and supervision of university establishments with a view to meeting the objections of the Commission, which is of the opinion that the legislation in question is discriminatory and incompatible with the Treaty of Rome, namely with regard to students who are nationals of a Member State and who come to Belgium to study. In the future an endeavour will be made to control the number of doctors and dentists. Finally work was done on abolishing the distinction between degrees which are or are not governed by statutory rules and introducing a system of academic credits. New provisions as regards assessment have been introduced. (Circular I/JD/RF/87/113 of 23 January 1987).

Royal Decree of 6 November 1987 regulates the conditions for a regularly enrolled student and for a student eligible for financial support in full-time higher education, with the exception of university education :

- a student repeating a year can be financed for the same study year in the same department; he can also be financed for the third time he enrolls if it is in another department, regardless of the type of education, including higher-level further education;
- no student is permitted to enrol for a third time for the same study year in the same department. However, subject to the approval of the teaching Council or the head of the establishment, a student can be authorized by the Minister to register for a third time for the same study year in the same department, when this is justified by the circumstances.

46. Subject to certain conditions, the Royal Decree of 20 November 1987 opens up "education on the basis of a reduced timetable, organized for young people aged 15 / 16 to 18 who are subject to compulsory education" to young people aged 18 to 25, thus enabling these young people to follow a training course in conjunction with work, on the basis of a linked work and training scheme.

The Royal Decree of 11 December 1987 lays down operational procedures for full-time State establishments whose teaching language is French or German, with the exception of establishments of higher education :

- the head of the establishment must submit to the directorate-general to which he is answerable an internal management plan within the framework laid down by the Royal Decree;
- the step of expelling a pupil must only be taken after following set procedures; the parents must always be informed and must be notified by registered mail.

The number of inspectors for primary and pre-school education was changed by the Royal Decree of 4 November 1987. By a Royal Decree of 24 November 1967, the number of inspectors had been fixed at 103, of whom 13 had special responsibilities. These numbers have been reduced to 98 and 4 respectively.

In secondary technical education, the Royal Decree of 26 October 1987 amends Article 28 of the Royal Decree of 1 July 1957. The latter specified that, except where dispensation was granted by the Minister of Education, children who were still subject to compulsory education could not be enrolled for technical, vocational or special courses. The Royal Decree of 26 October 1987 precludes enrolment in further education courses by pupils who are subject to full-time compulsory education, except for courses for which the Minister of Education has granted an exemption.

As regards non-university higher education, the structure and grading of the technology department has been established by the Royal Decree of 11 August 1987 (Official Gazette of 24.11.1987). According to the Decree, which took effect on 1 September 1987, this department will provide a 3-year course and will be part of full-time short-course technical higher education.

Lastly, we would mention the Royal Decree of 4 November 1987, which governs the legal position and organization of the state inspectorate for state and subsidized establishments of Dutch-language special primary and secondary education (Official Gazette of 17.11.1987). This Decree covers the composition, authority and operation of this inspectorate as well as the appointment of inspectors for special education.

Denmark

47. In January 1987, a political agreement was reached in the Folketing (Danish Parliament) between the Government and the Radical Liberal Party on a reform of upper secondary education. The reform safeguards the level and quality of upper secondary education whilst making more room for new subject combinations and a few new subjects. The "branches" are replaced by a choice of a combination of related subjects ensuring a certain coherence and standard of the education received. This more flexible structure will enable the small upper secondary schools in particular to offer a broader range of subjects with more options for the pupils. The reform will come into operation as from August 1988.

In June 1987, an expert committee submitted a report on basic vocational education courses which are to replace the apprenticeship training, basic vocational education and training and basic technical courses which have existed so far.

There will still be two entrance possibilities : one for those who want to start in a firm and one for those who want to start at school. Teaching will be differentiated and a range of options will be offered, including courses geared to further education particularly in the technical and export fields. The courses will lead to a national professional qualification but may be adapted to local needs. The Government will present a bill to this effect during the 1987/1988 parliamentary session.

In August 1987, an act governing advanced technical education entered into force (level above the basic vocational education previously described). This type of education will henceforth be governed by its own rules in the light of aims, level, contents and placement opportunities. At the same time, a new supervision and guidance system will be established. Furthermore, new courses will be introduced which will ensure a more open and flexible admission to this area of education.

In December 1987, the Danish Parliament decided to extend the period of the special measures to combat youth unemployment. This implies that in 1988 municipalities and counties will have to allocate 130 DKR and 10 DKR per inhabitant respectively to the special measures to combat youth unemployment.

In the autumn of 1987, the Minister of Education set up a committee with a mandate to make proposals to revitalise and renew the present courses of education in commerce and economics.

The background to this is a strong desire to improve the capacities of the Danish export trade and thus Denmark's international competitiveness. The committee is expected to submit its report by the summer of 1988.

With a view to strengthening the central research administration, the Research Secretariat has as from January 1988 become a Research Directorate with the same status as the other directorates of the Ministry of Education.

Federal Republic of Germany

48. The review of training regulations which has been in progress for years in the vocational education sector has continued. On 1 August 1987 some 23 newly recognized apprenticeships were made available to more than 300,000 trainees. Under the new regulations, emphasis was placed on industrial metalworking and electrical trades and on training for sales people in the retail trade and in the scientific and technical trades. The training regulations lay down minimum requirements for training in industry and vocational schools. The objective of the new regulations is to adapt vocational training to changed requirements in working life, not least in the new technologies which are increasingly determining the structure of employment in production, sales and management. Since the vocational training law came into force in 1969, training for a total of 75 % of all trainees has been reorganized. In the process the number

of apprenticeships was reduced from 606 in 1969 to 384 in 1987. The training of young people has been broadened as a result, a fact which has also enhanced their vocational mobility and flexibility.

Of the 1.8 million trainees, 500,000 are in the meantime being instructed in joint training centres, in particular in the crafts sector. The task of the joint training centres is to supplement and broaden industrial training since specialized small and medium-sized firms are frequently unable to make full provision as regards the training content laid down in the training regulations. Joint training centres therefore prevent these firms from having to discontinue recruitment trainees, which would lead to a loss of training places. Since 1983 the number of joint training centres has increased to the present 600.

In the further vocational training sector, measures were pursued and stepped up which were made possible by the amendment of the Employment Promotion Law which came into force in January 1987. In 1986 some 530,000 employees embarked upon one of the further training, retraining or initial skill adaptation training courses promoted by the employment offices. This was 120,700 or 29.5 % more than in 1985. Two thirds had previously been unemployed. Resources were raised for 1987 to DM 5,500 million as compared with DM 5,000 million in 1986 and DM 4,600 million in 1985.

49. In July 1987 the seventeenth framework plan for the development of higher education institutions was adopted. It covers the period 1988 to 1991 and is more slanted towards the qualitative development of university teaching and research capacity than the measures to expand capacity adopted in the seventies. The plan provides for an investment of DM 12,000 million of which some 24 % is earmarked for the acquisition of large items of scientific equipment. Special emphasis is laid on the further development of up-and-coming research areas such as computer science, laser technology or genetic technology and also the expansion of scientific libraries.

In 1987 an agreement was reached with the German Democratic Republic on cooperation in scientific and technological fields. The agreement contains a list of specific projects to be carried out in the coming years.

In August 1987, the Federal Minister for Education and Science submitted a work programme on environmental education. It includes suggestions for measures to be taken in general, vocational and higher education. The Federal Republic of Germany wishes to be a dynamic advocate of environmental education also at the level of international organizations, and not least the European Communities.

On 25 January 1987 the elections to the 11th German Bundestag (Lower House of Parliament) took place and on 20 May 1987 the Federal Minister for Education and Science presented the programme for the 11th legislative period containing the following provisions :

- 11th and 12th amendments to the Federal law on the development of training;
- relief for families in the middle income bracket;
- appraisal of the Federal law on the development of training;
- provisions governing the promotion of joint vocational training centres;
- review of the legal basis for vocational training statistics;
- new version of the higher education statistics law;
- modification of the Framework Law for Higher Education so as to amend the provisions governing the Central Office for the Allocation of Places in Higher Education and introduce equal rights of admission for nationals of other Member States;
- examination of the possibilities of giving financial support to private higher education institutions on the basis of the law to encourage the establishment of higher education facilities;
- development of the European dimension in specific research areas.

Greece

50. At the beginning of the year the Ministry of Education examined the problems and the future of libraries.

In June the Ministry of Education announced a special two-year public investment programme to improve the quality of Tertiary Education, which is part of the new five-year education programme. This places emphasis on the development of a full network of libraries and reading rooms in each AEI (university) with technological links between them. Each AEI, however, has the obligation to create a special library service and unit. An equivalent unit for university libraries will be created in the Ministry of Education.

In August the Ministry of Education decided to acquire 900 microcomputers in order to introduce the teaching of computer science in 100 gymnasias (lower secondary schools) as part of general education.

In his opening address to the First European Conference on the theme "The Fight against Illiteracy in the Member States of the EC" held in September, the Minister of Education announced a series of measures which form part of the five-year programme to wipe out functional illiteracy in Greece. The main points of the programme concern the organization of primary schools, in particular :

- the introduction of extra coaching (outside normal school hours) for primary and lower secondary school pupils who have problems with Greek and mathematics;
- the extension of the school library network, with a view to organizing 100 school libraries during the school year 1987-88;
- review of the age of entry to primary schools;
- the extension of the nursery school network;
- a closer link between the content of the primary school curriculum and that of the lower secondary school curriculum;
- support for university research programmes.

With regard to secondary education :

- the preparatory procedures for the computerization of education services at central and prefecture level have begun;
- the experimental teaching of computer science has been extended to 44 gymnasias (lower secondary schools);
- further training seminars for newly appointed teachers have taken place as have in-service training seminars for serving teachers (SELME);
- the equivalence of subjects taught on the basis of the university degree held by each teacher has been settled;
- Presidential Decrees have been issued on the timetable and curricula of Technical/Vocational Schools (TES) and on the Agricultural and Animal Husbandry Department of Technical/Vocational Lykeas (upper secondary schools) (TEL).

With regard to primary education, the following developments took place :

- the experimental introduction of foreign languages, physical education, music and art in 124 schools;
- the experimental introduction of a new curriculum in 168 nursery schools;
- the organization of special education in schools for children of repatriated Greek migrants;
- the introduction of a new history syllabus.

With regard to secondary education, it was announced that there would be a new procedure for entry to higher education. This will be the subject of legislation in 1988:

No changes took place in higher education during the period October - December 1987.

Spain

51. There were many developments in the education system in the first nine months of 1987. A wide range of proposals for the reform of university and non-university education came together following initiatives from the Ministry of Education and pressure from sectors concerned with education, especially students in secondary education.

This convergence of proposals for reform was given substance in agreements concluded between the Ministry of Education and the student organizations on 18 February 1987 in which the Ministry's commitments included the following :

- to abolish fees for academic upper secondary education and vocational education in State schools;
- to bring in education for all young people under 16 years during the 1986-1990 parliament;
- to establish 67,000 new school places forthwith;
- to increase the appropriation for grants in 1987;
- to change the university entrance examinations;
- to improve vocational training;
- to establish guidance services for secondary school pupils.

Most of these undertakings have been put into effect: a law of 2 July 1987 provided that no charge would be made for academic upper secondary education and vocational education and applied arts and crafts courses in State schools. At the same time these schools were granted economic autonomy (preparation and approval of contents and changes to

the schools' budgets). On 22 May grants for secondary and university education were announced for 565,000 students - a 5 % increase over the previous year. An order of 3 September 1987 established a new form of entrance examination for universities, colleges of advanced technology and university colleges designed to provide a more accurate assessment of pupils' general education and academic maturity.

52. An order of 4 June 1987 established educational guidance programmes in 150 secondary schools. All these measures were implemented in the framework of the agreements of 18 February.

The main event during this period was the presentation by the Ministry of Education of a proposed reform of nursery, primary and secondary education and vocational training. The proposed reform contains proposals for treating nursery school as an educational stage in the full sense, extending general compulsory education to 16 years, with compulsory secondary education organized for 12 to 16 year olds, broadening arrangements for the academic upper secondary school-leaving certificate and reorganizing technical/vocational training to bring it closer to the working world and current occupational profiles.

The proposed educational reforms were presented in June 1987 and became the subject of discussion between political, social and occupational sectors concerned with education. Also in June a meeting took place in Madrid between the main educational sectors and national and international experts for an initial examination of the Ministry's proposals.

At the same time the committees of the Universities' Council formulated new proposals for university study programmes incorporating a more varied and flexible approach to curricula which would be better adapted to the working world.

The extension plan for Physical Education and Sport, which has just been started, will be applied in stages between 1987 and 1992 in primary and secondary schools, thanks to an agreement between the Ministry of Education and Science and the Ministry of Culture. The basic aims of this

plan are as follows : reform of content, expansion of the weekly school timetable, increase in the number of specialized teaching staff and improvement of premises and equipment.

A set of professional modules has been started up for students who have completed the second cycle of reformed secondary education and who do not wish to go on to higher education. These will last for one or two years and will combine college training with practical experience in the workplace.

At university level one should note the appearance of a Royal Decree regulating the obtaining, issuing and recognition of university degrees, and another establishing common guidelines for university degree syllabuses, valid throughout the whole national territory.

An order of 30 September 1987 regulates the structure and operation of "Spanish science and culture groups" for the teaching of courses in Spanish language and culture to Spaniards resident outside Spain.

France

53. Education policy in 1987 continued to reflect the main guidelines adopted in March 1986 which set out to modernize education at national level in such a way as to meet the future demands of society. The measures taken also concern the modernization of educational administration and the organization of various levels of education.

The creation of a Directorate for Assessment and Forecasting corresponds to the need to establish a detailed medium-term plan of action, itself situated in a more long-term view which a group of experts will define in greater detail.

Efforts to decentralize education continued with 45 new measures concerning staff management, school life and operating methods.

The Directorate for Information and Communication, set up in 1986, has introduced a national computer communication service known as "EDUTEL" which has resulted in greater efficiency as regards the Ministry's internal and external communications. Furthermore, schemes for the initial and in-service training of education management staff in communication skills have been introduced.

The computerization of operations is spreading rapidly, mainly thanks to the installation of terminals in 23 regional education authorities and the installation of microcomputers in 70 % of secondary establishments. Finally, the modernization of administration has taken the form of general training in management control instruments and an introduction to quality control and group innovation methods. In parallel, practical measures have led to an improvement in the quality of teaching at various levels.

In primary education efforts to combat failure at school have continued and general assessment practices have been introduced. Major efforts have been devoted to improving the morale and pay and

conditions of primary school teachers who were originally recruited at the "baccalauréat + 4" level. Finally, a decree of 1987 introduced the post of "maître-directeur" (head teacher) so that the school has a person who is fully responsible for its relations with the outside world.

In secondary education the aim of ensuring that by the year 2000 80 % of a given age group will reach "baccalauréat" level means that the various branches of education leading to the "baccalauréat" must be diversified and technical and vocational education upgraded.

In the first place, the reform of lower secondary schools continued, with the development of technological teaching henceforth forming an integral part of the process.

In the "lycées", new CAPs (vocational training certificates) and BEPs (vocational studies certificates) as well as vocational "baccalauréat" courses have been introduced to take account of economic developments. In order to meet the increased requirements for managerial staff, technicians and engineers, new STS (advanced technical sections - "baccalauréat" + 2 years) have been introduced as have new classes to prepare students for the Grandes Ecoles (specialized elite higher education institutions).

Among the most important measures are: the development of education in civics and the teaching of road safety from lower secondary level onwards; innovations concerning artistic, physical and sports education; the introduction of a new computer syllabus and software policy; health education : prevention of drug addiction and information on sexually-transmitted diseases.

Otherwise, provisions have been introduced to increase links with the working world and develop cooperation with firms: schools to play a greater part in the vocational placement of young people, upgrading of apprenticeships, greater role of education in adult training, and twinning agreements between educational establishments and firms.

Finally, various initiatives have made it possible to develop the European and international dimension of teaching (new international sections at secondary schools, plans for international educational measures, etc.) and of teacher training.

54. Following the crisis of conscience experienced by the French University sector in December 1986, higher education policy in 1987 has applied itself to adopting a pragmatic and voluntary approach, in an endeavour to improve the conditions for the operation and development of the universities on the one hand and to take a comprehensive look at the future of this type of education and the performance of the three basic tasks of the universities : culture, education and research on the other.

In this connection it should be noted that by agreement with the university Chancellors, for an experimental period in 1987, the universities and other institutions were allowed to choose between the legislative provisions of 1968 and 1984.

Amongst the measures of an institutional nature adopted during 1987, the following must be noted : the creation of a university of the Pacific (Nouméa and Papeete), reform of post-graduate medical studies, new regulations for teacher training, the introduction of twelve new I.U.T. (University Institutes of Technology, the improvement of the way in which the "Centres des Oeuvres Universitaires" operate and the approval of almost 90 new national certificates.

As well as this, emphasis has been laid on measures to simplify and speed up the recruitment of teachers seeking employment, and the organization of recruitment for temporary teaching vacancies.

The beginning of the university year in October 1987 saw an important development concerning the reception of new students; the opening of decentralized university centres in Ile-de-France and in the provinces and the introduction of the RAVEL system (computerized registration of inquiries from secondary school pupils), aimed at providing prospective baccalauréat holders with information and guidance about enrolment in universities in the Paris region.

These measures have been accompanied by a study considering the future of the university sector, which was carried out by a group of experts formed in July 1987. This group presented its conclusions ("University Tomorrow") at the end of the year. Detailed proposals could thus be put forward by the Minister in charge of Research and Higher Education, concerned mainly with ending selection through failure after the first year of university, developing a legal framework adapted to the tasks of the universities, improving the conditions of teachers and students, and, finally, with reinforcing the influence of the French universities.

Ireland

55. The Minister accepted a proposal from the Curriculum and Examinations Board for a new unified system of assessment and certification at Junior Cycle Post-Primary. It was also decided to establish a review of the Primary School Curriculum in the Autumn. A discussion paper, 'Science, Technology and the Post-Primary Curriculum' was published in March 1987. A report on the teaching of Social and Environmental Studies was sent to all Primary schools.

The Minister for Education launched the Review Body on the Primary Curriculum on 5 October 1987. The terms of reference of the Review Body include an analysis of the aims and objectives of the present primary curriculum and examining what structures could be adopted which would ensure that the objectives outlined for the curriculum could be evaluated as students progress through schools.

The Review Body is to report to the Minister for Education within 12 to 15 months.

The Minister launched the National Council for Curriculum and Assessment on 8 December 1987. The Council will advise on all matters relating to curriculum and assessment at first - and second - level education and will report directly to the Minister.

The Council is to proceed with planning the introduction of the new unified system of assessment and certification to replace the present Certificates at the end of junior cycle (12 - 15 age group). The implementation date for the first award of the new Junior Certificate is 1992. At senior cycle (15 - 17 age group), the Minister has stressed the need for the Council to formulate a general curriculum framework to provide a policy context for the work of its course committees. The Minister has activated through the National Council special initiatives in the areas of Modern European Languages and Technology.

In December, a major Conference on the development of Youth Services was held in Dublin.

Italy

56. The National Commission for the Fight Against AIDS was created on 9 January 1987 by the Ministry of Health. An initial document concerning criteria of prevention against the further spread of the disease was drafted by the Commission during its meeting of 22 January 1987. The Minister of Public Education, in Circular No 65 of 4 March 1987, ordered the distribution of the document in all schools and at all levels. In June 1987, the Minister of Public Education issued a second Circular No 168 in reply to discriminatory reaction towards children who are carriers of the AIDS virus or children of patients who have AIDS. The circular provides information on the transmission channels of the virus in order to discourage discriminatory or alarmist behaviour.

The New Economic Treatment of School Personnel was established in April 1987 by Presidential Decree (DPR) No 209, in application of the contractual agreement signed in February between the Government and Unions for the triennium 1985-1987. The Decree fixes salary increases for teachers. New forms of salary supplements are included on the basis of professional performance (incentive fund). The new economic treatment provided for in the Decree, however, has not satisfied part of the teachers who have created protest groups on a national level, called "Comitati di Base". These groups demand greater increases in teachers' salaries as well as legislative decisions to resolve the pressing problem of teachers without permanent posts. In May, these "Comitati di Base" blocked the end-of-the-year assessment procedures so as to force government decisions regarding their requests.

In reply to the demands of the "Comitati di Base", on 3 June 1987, the Council of Ministers passed Law Decree No. 215 "Urgent Measures for School Personnel". The measures introduced by the Decree include: retention in service of already assigned substitute teachers for school year 1987-88; limitation of the number of pupils per class (maximum of 25); easier access to permanent teaching posts. This same Decree, which by law would have expired after 60 days, was renewed at the end of July (Law Decree No 321, 1987).

At the end of August, a Bill was presented to the Cabinet which transfers the competence for the Universities from the Ministry of Public Education to the Ministry of Scientific Research which, up to now, has only had supervisory powers over the research agencies and institutes. This Bill, which will have to be passed by Parliament provides that the Ministry of Scientific Research and Universities (the probable new denomination) will have a "portafoglio", i.e. its own budget.

The last months of the school year witnessed an animated political climate and the government situation in evolution, general elections being held on 14 June 1987. On 12 July 1987, the new Parliament was installed and, at the end of the month, the new Government entered into office with Mr Giovanni Galloni as Minister of Public Education.

As the new school year approached, the debate on the Teaching of the Catholic Religion, which had continued throughout the 1986-87 school year, increased in intensity. The political debate and the various positions held exhibit a divergence of views over the problems concerning the application of the provisions contained in Decree DPR No 75 of 16 December 1985 (agreement between the Ministry of Public Education and the Italian Episcopal Conference). The main difficulties concern: the definition of alternative subjects to religion; the practical application of the student's right to choose religious teaching or not; the timetables for both the alternative subjects and teaching of religion (e.g. first or last lesson). In order to overcome these problems, there will probably be a revision of the provisions contained in the Agreement of 1985.

Since the beginning of the current school year, the new primary school curricula (decree DPR No 104/85) have been implemented in the first-year classes. These curricula redefine the traditional subjects taught according to the results of the most recent scientific and psycho-pedagogical research. New subjects are also provided and include the study of a foreign language, social studies, computer science, ecology, music, sound, image and motor activity education.

57. Among the initiatives concerning the further education of teachers, the multi-year project of retraining in the new primary school curricula is being continued. The project involves primary teaching staff and is organized on a regional basis by the IRRSAE (Regional Institutes for Educational Research, Innovation and Teacher Training).

The heated debate on the teaching of the Catholic religion in schools continued while waiting for Parliament to examine the proposal of the Minister of Public Education that defines educational activities for pupils who do not choose to attend classes in the Catholic religion as well as the organization and management of the options. In October, the Minister issued a Circular (No. 316 of 28 October 1987) to nursery, primary and secondary schools containing administrative and curricular instructions concerning the teaching of the Catholic religion and the organization of alternative educational activities for the 1987-1988 school year.

The political debate continued on the Bill instituting a Ministry for Scientific Research and Universities, the development of didactic, organizational and financial autonomy of University Institutes as well as the transfer of competences for the universities from the Ministry of Public Education to this new Ministry.

The Unions organized a national referendum on December 15, 16 and 17 1987 among school personnel (administration and teaching staff) concerning the present systems of career progression, working hours, proposals for the utilization of the incentives fund which provides a salary supplement in proportion to the work load.

Luxembourg

58. During the period January to September 1987, the Ministry for Education and Youth Affairs continued its work on devising a new plan of studies and new school textbooks (French: 2nd year of study; German: 2nd year of primary school; General Science: 2nd year of study).

Secondly, from the beginning of the new school year in September 1987, the new timetable placing more emphasis on science, on the language and culture of immigrant children and on physical education will be used in a greater number of communes.

Apart from launching the introductory course on new technologies in the 3rd year, no major change has occurred in secondary education in Luxembourg.

It should be noted that discussion on the draft reform of the advanced stage of secondary education continued throughout the period from January to September and that a final draft law may be submitted to the Chamber of Deputies at the beginning of the next school year. Also, from the beginning of the school year in September 1987, the ethics course in the first three years post-primary education will be based on the teaching of human rights.

As regards the observation and semi-specialization stages in technical secondary education (1st, 2nd and 3rd years) a Luxembourg regulation of 23 December 1986 extended and slightly modified the regulation of 3 September 1982 concerning the criteria for promotion of pupils from the observation stage.

As regards the final stage of this kind of education, three new regulations have been drafted and implemented by the Ministry for Education and Youth Affairs.

The aim of these regulations was to define the criteria for admission to classes in the final stage (6th and 7th years) of the general technical education section and the administrative and commercial section, to determine the operation of practical classes leading to a manual proficiency certificate and to lay down the duties and procedures of the special committee responsible for channelling pupils towards a course leading to a certificate in manual proficiency.

These two regulations reform practical training, introducing, among other things, the employer's practical mark into the criteria for promotion from the above-mentioned classes.

No significant change took place in higher and university education in Luxembourg in the period January to September 1987.

A centre for psychology and educational guidance was set up by the Ministry of Education and Youth Affairs by the law of 1 April 1987. The task of this centre is to provide educational and psychological guidance for pupils in general, secondary and technical secondary education and to assist pupils in the 6th year of primary schooling to make educational choices. It is also responsible for helping students going up to higher education as regards both their choice of studies and their choice of educational establishment.

The centre's tasks within the framework of the duties outlined above are as follows :

- to inform parents and pupils on the range of educational choices available and their educational and vocational objectives;
- to collaborate in the implementation of a systematic and continuous guidance service for pupils at school and pre-vocationally;
- to collaborate with the public authorities involved in the transition of young people from school to working life (in particular with the employment services and professional bodies);
- to organize and disseminate information on opportunities and training available in the higher education sector and practical information relating to time spent abroad by Luxembourg students;
- to coordinate and organize educational psychology and guidance units (SPOS) in the various post-primary educational establishments.

59. During the past school year, the Ministry for Education and Youth Affairs continued to implement a number of initiatives with a view to introducing the new technologies into the Luxembourg education system. From the 1986-87 school year, several experiments have been conducted in some dozen classes (pre-school, primary, extended primary education and the Speech Therapy Centre). Apart from these classes, where participation is spread over the 1986-87 and 1987-88 school years, specific projects were organized in other classes. The objective of these measures was to explore the scope of the computer in the various types of classes.

At the end of this period (5th year (3rd year) of general secondary education and 9th year (3rd year) of technical secondary education), all pupils receive a general introduction into the new information technologies consisting of one or one and a half hours a week from September 1986. The curriculum makes provision for three compulsory modules (introduction to informatics through LOGO language, applied software such as word-processing and datafiles) as well as two optional modules (technical applications and telematics).

The draft reform of secondary education which is currently being discussed provides for greater flexibility, making it possible in this way to introduce classes on computer studies and information sciences in the 4th, 5th, 6th and 7th years according to arrangements to be discussed.

No important new element has been introduced into the vocational training syllabus since 1985-86.

A number of local authorities have been experimenting with a new timetable for primary education, which introduces a third period of physical training and environmental studies (from the first year). It also contains provisions for integrating into the normal timetable courses for immigrant children in their language and culture of origin.

In secondary education, discussions on the proposal for a reform of advanced secondary education have continued. The debate has been based on a new text submitted by the Minister for National Education and Youth, which varies only slightly from the original draft.

A number of initiatives have been taken to promote vocational training. In the observation period (first, second and third year), practical work now concentrates more on jobs in the crafts sector and in industry.

Practical and manual work will henceforth be part of the assessment criteria, particularly in the third year, of Sections II and III, which amounts to a small reduction in the relative importance of general subjects.

At intermediate level, two new courses are available, i.e. training in viticulture and winemaking, and a beautician's course. Both courses are run concurrently.

Changes have been made in horticultural training in the sense that it is now fully covered by the law of 21 May 1979 concerning :

- (i) the organization of vocational training and technical secondary education, and
- (ii) the organization of continuing vocational training.

In Luxembourg, young people must have successfully completed their third year of secondary education before qualifying for a traineeship. To avoid a situation where young people who have not reached that objective end up without any vocational qualifications at all, a fourth, transition, year has been introduced on an experimental basis. This year offers additional training in a specific skill for young people who do not meet the conditions required for access to traineeships, but who have found an employer who will take them on. They sign a one-year basic traineeship contract with the employer; during this period they are trained on the basis of a training/work-experience scheme : two weeks of theoretical and practical training at school and two weeks on the shopfloor. They are entitled to a training grant. After one year the employer takes on the trainee as an assistant craftsman.

With a view to upgrading continuing training and centralizing continuing vocational training a draft law has been drawn up concerning the building of premises to meet the needs of a national centre for continuing training.

The Minister for National Education and Youth has drawn up a draft law designed to make certain changes in secondary technical education.

The Minister for National Education and Youth has made changes in computer study programmes within the context of information technology in certain sectors of secondary technical education (fourth, fifth and sixth years).

The Netherlands

60. Major points with regard to policy are the improvement of quality and the encouragement of efficiency. As a result of efforts to make establishments even more autonomous the authorities have focused attention mainly on the qualitative results of teaching. At establishment level stress is placed on school management and quality of teachers.

Quality targets have been formulated for primary education. The school's work plan must state in a responsible way how the teaching provided intends to achieve the ultimate goals, including details of assessment. In the spring of 1987 the first of a series of periodic surveys was carried out relating to mathematics within the framework of a comprehensive research and assessment programme designed with a view to the reorganization of school studies.

Policy is directed towards ending the increase in (secondary) special education. The underlying idea is that as far as possible these children should attend ordinary schools. Policy development has been started to increase professionalism in special education. The political aim is to have a special education system which is limited in size but adequately equipped.

Starting with the 1987-88 school year the minimum number of hours during which children in the first three school years are required by law to be taught is reduced from 2,640 to 2,240.

A bill of law was published on the basis of a guideline notice on the establishment of sectors in secondary education (SVM). This proposal sets out to combine all vocational training courses within four labour market sectors (technical, agricultural, economic and administrative services and health care) in newly established schools each covering one or more sectors. These schools will have greater autonomy.

In order to give institutions greater budgetary freedom a proposal for the reform of financing has been drawn up. This includes a harmonized system for all categories of secondary schools.

In May 1987 a campaign was launched known as "Gaslaagd met exact, kies een studie met perspectief" (Be successful, choose a course of studies with prospects). This campaign is directed at girls and boys from the top classes of the h.a.v.o. (general upper secondary schools) and the v.w.o. (academic secondary school). The aim is to encourage young people to continue with their studies and to take account of openings on the labour market when choosing what to study.

Beginning in the 1987-88 school year all those engaged in secondary education on a full-time basis and not subject to the requirement to attend school must pay fees (HFL 1,030).

61. The promising results of the NIVO project (new information technology in secondary education) have led those involved to continue the project.

This means that by the end of 1988 all secondary schools will have at their disposal a computer room with 8 pupil work stations, a teacher's computer and two development computers.

On 13 January the Minister of Education and Science and the higher education institutions agreed on the sum of HFL 471 million for communication and data processing in higher education. As a result of this, two priorities of what is known as the SURF plan (cooperation on computer services for higher education research) can be implemented, i.e. the establishment of a national communication and data processing network and efforts to remedy the shortcomings in higher vocational education.

In September 1987 the higher education research plan (HOOP) was issued. On the basis of quantitative information, discussions with groups concerned and above all dialogue with the institutions, the public authorities are attempting to determine the direction to be taken by higher education and research in the Netherlands. HOOP encompasses the system of weighted drawing of lots, the voucher system and financing, the autonomy of educational establishment and the idea of 'control from a distance'. HOOP has the following four functions: increasing the autonomy of institutions, increasing the coherence between the announcements by the authorities in relation to all the different sorts of institutions, documentation for purposes of dialogue, and statements as to the direction in which the authorities wish to go.

In January 1988 a definitive version of the Higher Education Research plan is expected to be ready.

At the end of 1987 the Minister presented a concrete policy plan concerning the large-scale introduction of computers into primary and special education.

Over a four-year period, starting in 1990, it aims to provide all primary schools with equipment.

At the end of 1987 the bill covering the so-called basic education was presented to Parliament; this concerns the introduction of a common core curriculum for the first three years of secondary education. This core curriculum will consist of fourteen subjects, including two foreign languages which can be taught at two levels.

Portugal

62. The recent Law on the Basic Education System (published in October 1986) (Law No 46/86) establishes the general outline for the education system in accordance with certain general and organizational principles, and relates to three main areas: pre-school, school and non-school education.

Pre-school education, as regards its training aspect, complements and/or supplements the educative function of the family, with which it establishes close cooperation. School education covers basic education (composed of compulsory schooling for six or nine years), secondary and higher education. Each of these areas has its own specialized working methods and also included are leisure activities insofar as they can be called educational. Non-school education covers activities such as literacy programmes and basic adult education, further training and cultural and scientific training as well as vocational preparation, retraining and further training, all of which come within the framework of a wide range of initiatives organized on both formal and non-formal lines.

Preparatory work on the practical application of this basic law has been carried out under the supervision of the Committee for the Reform of the Education System whose tasks (Cabinet Resolution No 8/86) are as follows :

- to promote studies on the reorganization of the education system in accordance with government guidelines;
- to encourage the preparation of officially recognized diplomas which are deemed necessary as a result of the courses which are organized;
- to encourage the preparation of programmes resulting from the entry into force of the officially recognized diplomas approved above.

During the period under review the main point is the new organic Law of the Ministry of Education and Cultural Affairs (Law No 3/87) published on 3 January, which reorganizes the administrative structure of the education system. Reorganization relates to teaching, research and to the teaching of sport. For this purpose the Ministry cooperated with the following bodies and central services :

- consultation bodies :

- . National Education Council
- . Sports Council,

- technical/administrative and planning support :
 - . Secretariat-General
 - . Studies and planning office
 - . Financial control office
 - . Court of Auditors,

- coordination, research and development :
 - . National Scientific Research Institute
 - . Tropical Scientific Research Institute
 - . Institute for Portuguese Culture and Language
 - . Institute for Educational Innovation,

- control :
 - . General Inspectorate for Education

- guidance and coordination of the education system :
 - . Directorate-General for Higher Education
 - . Directorate-General for Basic and Secondary Education
 - . Directorate-General for Educational Support and Further Education
 - . Directorate-General for Administration and Personnel
 - . Directorate-General for Educational Equipment
 - . Educational Technology Institute
 - . Institute for Socio-Educational Support,

- guidance and coordination within the sport system :
 - . Directorate-General for Sport
 - . National Institute for the Advancement of Sport,

- social support :
 - . Social Foundation.

Also set up under this organic law were the Regional Directorates for Education (four in all) which are decentralized bodies for the coordination and support of teaching establishments, excluding higher education, and for the management of human, financial and material resources. These bodies were organized in alignment with the different areas of the education system excluding control bodies. They are the responsibility of the Inspectorate-General for Education. Under the Regional Education Directorates there are regional delegations (based on districts) depending on the size of the various units of the education system.

The organization, powers and operating standards of all the bodies set up under this organic law will be defined by regulations not yet published.

As regards other legislation published during the period under review the only point worthy of note is the timetable for the development of the 1987-88 school year, which is marked by the extension of school time by halving the break allowed before the beginning of lessons.

The new organic Law of the Ministry of Education and Culture (Decree-Law No 3 of 3 January 1987), as well as setting up central services, also created regional directorates of education which are decentralized bodies for the coordination and support of primary and secondary teaching establishments and for the management of the human, financial and material resources pertaining to them. These are organized in accordance with the various areas of activity of the educational system, with the exception of inspection functions, which are the responsibility of the General Inspectorate for Education. It should be noted that, in accordance with Decree Law No 3/87, this central service (i.e. the General Inspectorate for Education) will have a decentralized structure in parallel with the regional directorates of education mentioned above, and that it will be responsible for trading and disciplinary inspections in the primary and secondary education system and for financial and administrative inspection

in the whole education system. The Directorate-General for Sport, will also have regional delegations, for the purposes of executing and managing activities aimed at the development of sports.

63. Decree-Law No 329/87, published on 23 September, laid down the structure of the 11th Constitutional Government. This replaced the new Ministry of Education and Culture with the Ministry of Education and transferred the State Secretariat for Culture, together with its dependent services and bodies, to the Prime Minister's Office.

Up to the end of 1987, there were no legislative changes, either concerning the regulation of the Law on the Basic Education System (Law No 46/87), or concerning regulation of services created by the organic Law of the Ministry of Education (Decree-Law No 3/87).

The points concerning education in the programme of the 11th Constitutional Government are worthy of note. This established three strategic axes for the process of global modernization of national education : demand for freedom, reinforcement of identity, and the development of a sense of solidarity. On the basis of these three strategic axes the modernization of Portuguese education, which will take place over the next four years, will follow certain fundamental guidelines, amongst which should be noted in particular : the speeding up of universal access to 9 years' basic education; priority action in the struggle against school failure; the speeding up of increased availability of vocational and pre-vocational training; wider access to higher education; the challenge of university autonomy; promotion of respect for the Portuguese language and culture and the reform of the educational administration, with clear emphasis on the reinforcement of school autonomy.

Some measures are already being taken with regard to these guidelines. One of the most important is the programme for the promotion of success in basic education, which has been approved by Cabinet Resolution. The aim of this programme is to improve the quality of education and the effectiveness of teaching, by promoting in a general way the educational success of children and young people in basic education and giving priority to the 1st cycle (primary education). The aim is thus to reinforce educational activities and resources in areas where the school failure rate is high. The components of the programme, which involves the activities of various departments, under the coordination of the Ministry of Education, are : reinforcement of feeding units; provision of preventive and diagnostic health units; wider provision of pre-school education, strengthening of special education; support for deprived families; establishment of the transport system required by the reorganization of the network of schools with a small number of pupils; provision of school materials; teaching and didactic support; vocational and pre-vocational training; organization of leisure-time and school sports activities. Stage I of the programme began in the school year 1987/1988 and covers 60 municipalities; in its 2nd and 3rd stages (1988/1989 and 1989/1990 respectively) the programme will be extended to a further 78 municipalities - and then to all the municipalities in continental Portugal (275).

United Kingdom

64. Government policy during 1987 continued to be to improve standards at all levels of ability; to secure the best possible return for the resources invested in education; and to make the education system more responsive to the wishes of its consumers - pupils, parents and employers.

General Certificate of Education (GCE) O level and Certificate of Secondary Education examinations were held for the last time in 1987. Pupils entered the second year of courses for the new single system of examining at 16 +, the General Certificate of Secondary Education (GCSE). The first examinations will take place in summer 1988. The GCSE will make an important contribution to government policies for raising standards in schools.

The first GCE Advanced Supplementary (AS) level courses for students aged 16 - 18 began in September. Of the same standard but occupying half the teaching time of an Advanced level course, they will enable pupils to broaden their studies by replacing one of their A levels with 2 AS levels. The first AS level examinations are in summer 1989.

Implementation of the Education (No 2) Act 1986 began with the introduction of annual reports to parents from all school governing bodies and with the first round of annual parents' meetings. Schools began to reconstitute their governing bodies so as to provide for the increased representation of parents and the local community. Governing bodies were required to consider their local authority's policy for the curriculum and to decide what the aims of the secular curriculum should be for their schools. Corporal punishment was abolished in all state-maintained schools from 15 August 1987.

During the spring and summer a large number of consultation documents were issued in preparation for the introduction of the Education Reform Bill in Parliament in November 1987. The Bill, which is expected to complete its passage through Parliament by Autumn 1988, provides for :

- i) the introduction of a broad, balanced and relevant national curriculum for all pupils of compulsory school age in schools maintained by local and central government;

- ii) objectives to be set by the national curriculum against which the attainments of pupils of differing abilities can be assessed against national standards at the ages of 7, 11, 14 and 16;
- iii) expert working groups to be set up to consider the content of the curriculum, with a separate group to consider arrangements for assessment and testing;
- iv) a major devolution of financial control to individual secondary and larger primary schools and to further education colleges, along with the reform of college governing bodies;
- v) parents and governors who wish to take their school out of local education authority control to do so and to apply for direct funding from the Government;
- vi) inhibition of the awarding of bogus "degrees".

In April the Government published a White Paper containing its plans for higher education. This envisages a wider access to higher education, including a 50,000 increase in student numbers by 1990 and a target of almost one in five school leavers entering higher education by the year 2000. It also proposes radical reforms of the funding of universities, and the establishment of polytechnics and other higher education colleges as independent institutions outside the control of local education authorities. Implementation of these reforms is provided for in the Education Reform Bill, together with the limitation of tenure of university academic staff.

The government approved the establishment of a nation-wide network of Regional Technology Centres designed to collaborate with industry to encourage technology transfer and related training. These Centres will build close links with the University-Enterprise Training Partnerships (UETPs) established under the EC COMETT Programme.

65. New temporary arrangements for determining school teachers' pay were introduced following the passing of the Teachers' Pay and Conditions Act 1987 which abolished the Burnham Committee.

In Scotland steps are currently being taken to achieve an increase in the number of graduates in engineering, new technology and related disciplines. The 'Switch to Technology' initiative in the Central Institutions is a 3-year £14 million programme announced by the Secretary of State for Scotland in 1984 to increase the output of engineers and technologists from 500 in 1983-84 to 800 a year by the end of the decade. In April 1987, the Government announced that the 8 Scottish universities would continue to be funded alongside the other British universities and not through a new funding authority for all higher education in Scotland, as had been recommended.

Substantially revised postgraduate training courses for primary teachers have been introduced in colleges of education from September 1986. The new courses are longer, include more school experience and are intended to be more directly relevant to the needs of schools. For the first time, they will be subject to external validation. In March 1987 the Secretary of State for Scotland set up the Scottish Committee for Staff Development in Education under the Chairmanship of Councillor Malcolm Green with the main duties of advising on priorities for staff development, the coordination of national training opportunities and the consideration of training for the three-tier structure of award-bearing courses.

Courses leading to the Standard Grade of the Scottish Certificate of Education in 11 subjects are now available in schools although the traditional Ordinary Grade courses and examinations have been retained meantime. Courses in phase 3 of Standard Grade will be introduced in 1988. A major programme to support introduction of the new courses is being undertaken by the Government and the education authorities.

The Government has recently issued a Circular (No 1157) to education authorities outlining the framework within which short courses should be incorporated into the secondary school curriculum, particularly in secondary 3 and 4. Short courses will become available in all subject areas and are intended to add balance, variety and flexibility to the curriculum. Both the Scottish Examination Board and the Scottish Vocational Education Council will play a role in certificating short courses.

The Primary Education Development Programme was established in 1984 and is intended to run until 1989. Development Officers have been appointed to assist schools in the production of model teaching programmes and in the preparation of resources for teachers and pupils. The emphasis of the programme is firmly on the preparation of databases and resource materials which will be a practical aid to primary teachers.

In 1986 the Government launched a 'PICKUP' initiative in Scotland to promote the continuing vocational education and retraining of persons in employment.

The PICKUP partnership programme in Scotland emphasizes training for professional, industrial and commercial updating through partnership involving central institutions, local authority further education colleges, trade associations, enterprise trusts and employers.

Consultations have been completed on proposals to strengthen industrial representation on college councils and to delegate financial and management responsibilities by education authorities to college councils. If approved by the UK Parliament during 1988 it is intended that the new powers should come into force on 1 April 1989.

The Committee of Inquiry into the pay and conditions of service of school teachers in Scotland chaired by Sir Peter Main reported in October 1986.

In August 1987 the Government published a consultation document on its proposals to create new School Boards, aimed at giving parents, teachers and the local community a voice in the local management of Scottish schools. The intention is to create individual School Boards for all but the smallest schools. The new Boards will have the right to be consulted and to initiate discussion on a wide range of topics. The Board will also have executive powers, capable of expansion, at a rate dependent on the ability and wishes of the individual Board, until they would have full control over local staffing and the budget for each school's recurrent costs.

In December 1987 the University Grants Committee announced the establishment of a Scottish Sub-Committee with a remit to advise on the pattern of higher education amongst the Scottish Universities.

Chapter III.VOCATIONAL TRAININGTrends in the Community

66. The process of adjustment to the many new requirements arising from the developments in the Member States' economies is progressing in the shape of a sort of codification of the socio-economic formulas which have emerged in recent years whilst at the same time the problem of social equity is giving rise to increasing concern in the face of what are regarded as unavoidable changes.

Ever since its establishment, the European Economic Community has assigned to vocational training an important role in the establishment of more balanced expectations and opportunities for the most disadvantaged groups in society. It can even be said that, during the most prosperous years of its existence, the Community treated vocational training as the primary instrument of its social policy of support for individuals working in regions, sectors or categories exhibiting what may be regarded as flagrant inequalities.

One effect of technological progress and the desire to renew production processes, factors which, in the most recent years, have weighed heavily on the dynamics of the labour market, has been to make the criteria for the selection of job applicants more rigorous. It is therefore not surprising that several countries have taken measures to facilitate access to economic activity for all those in danger of being left behind in

the development of the new industrial society now taking place.

This balance between economic and social aims is moreover implicit in the logic of the social dialogue embarked upon at different levels in all the member countries following the example set by the Commission in Brussels in the form of the periodic consultations between the two sides of industry in Val Duchesse.

67. Programmes in the field of vocational training and new technologies have been consolidated throughout the Community in the course of the year. More particularly, at the end of 1987, the number of participants in the Eurotecnet network reached 133 following the inclusion of the Spanish and Portuguese projects. The results have already been exploited in conferences, specialized seminars and publications and this process of dissemination will be considerably amplified in 1988.

The new programme for the integration of young people into working life was still being discussed within the Council at the end of the year. Its operational character may be defined in the course of the coming year.

Substantial progress has also been made in the field of the correspondence of vocational training skills with the virtual completion of work in three sectors : hotel work and catering, motor vehicle repair and construction.

Development of the situation in the Member StatesBelgium

68. The most striking developments in 1987 are :

- the introduction of a system combining work experience and training for young people between the ages of 18 and 25 and involving a temporary reduction in the employer's social security contributions on behalf of these young people;
- widening and further simplification of the application of the law governing industrial apprenticeship.

1. The work experience / training agreement

The purpose of Royal Decree No 495 of 31 December 1986 is to set up a system combining work experience with training for young people between the ages of 18 and 25 and introduces a temporary reduction in the employer's social security contributions on behalf of these young people.

All jobseekers aged over 18 and less than 25 may conclude a work experience/training agreement except those who already have a university diploma, a long-course or short-course higher education diploma or a technical upper secondary diploma.

The young person in question concludes with his employer a work experience/training agreement covering a period of not less than one year and not more than three. It is made up of two parts: a part-time employment contract of indefinite duration (at least half-time) and a section devoted to training.

The training is recognized by the King on a proposal from an inter-ministerial committee made up of the Minister of Labour, the Minister for Social Affairs, the Minister of Education and the Minister for Small Firms and Traders. It consists of not less than 500 hours a year or 256 hours when provided by an employer himself under the small businesses training scheme. It may take the form of a combination of national, Community or joint training arrangements which already exist or which have still to be set up. It is intended to promote the definitive integration of young people in working life.

2. Industrial apprenticeships

The scope of the law of 19 July 1983 on apprenticeships for occupations exercised by non-self-employed workers has been extended to cover the merchant navy.

So far 28 sectors have set up a joint apprenticeship committee. The organization of apprenticeships and the drawing up of training curricula are under way in most of these sectors. In ten of them young people are being trained or will soon have an opportunity to be trained for a number of occupations under this industrial apprenticeship scheme.

With effect from 1 January, 1987 the age when an industrial apprenticeship may be entered was raised, under certain conditions, to 21. The law of 19 July 1983 was amended by the law of 24 July 1987. The amendment aims at widening the law's scope and at simplifying its application. At present the law regulates apprenticeships for occupations exercised by non-self-employed workers (not just non-self-employed manual workers) with the exception of domestic workers. Furthermore, in their draft social agreement for 1987-1988 the two sides of industry undertake to promote various forms of training within the framework of both part-time schooling and post-school education, in particular by promoting industrial apprenticeships.

Denmark

69. Law No 232 of 22 April on advanced technical courses amended the rules governing technical training.

This Law covers advanced technical courses for persons who have completed basic training and courses at technician-engineer level for those who have completed advanced technical courses. It contains provisions regarding supplementary courses for prospective trainees and pre-technician engineer courses.

The term "advanced technical training" is intended to describe vocational courses situated - in terms of training content and employment outlets - between basic training (EFG courses, apprenticeship training and basic technical training) on the one hand, and engineering training on the other.

As a means of satisfying the demand for new and higher technical qualifications, a new qualification level described as "technician-engineer" (konstruktør) has been introduced - aimed at positions of responsibility entailing broad functions between technician and engineer level.

The Law is founded on a further decentralization of responsibility for technical schools, with the central authority confining itself as far as possible to the establishment of broad objectives and resource levels.

This new Law should be seen against the background of the investigations currently under way into the management of the vocational schools system and the reform of basic training mentioned below. Taken together, these initiatives are intended to ensure the establishment of a training system and overall management structure which will support the transformation and development of the economy.

It should be noted in this context that draft laws are expected to be presented in the very near future on basic vocational education (EFG) and vocational schools (technical schools, commercial schools, etc.).

The aim is to bring into being a unified system capable of replacing the apprenticeship training system and the existing EFG scheme.

Federal Republic of Germany1. Vocational Training

70. In the Federal Republic, the training year 1987/1988 began successfully. For the first time since 1981, there was a surplus of training places in 1987. As at 30 September 1987, 34.052 applicants had not yet found a training place whilst at the same date 44.509 training places were still vacant. The market for training places is still experiencing regional and sectoral problems.

As the final figure for the newly concluded training contracts will not be available until the beginning of December this year, it is not as yet possible to provide accurate information as regards the current overall supply and demand situation. Accordingly, a final appraisal of the training place situation in 1987 will not be possible until that time. However, it is unlikely that there will be any great change in this general appraisal.

For 1988 and the following years, a further drop in the number of applicants is to be expected. The annual demand for training places will decline by approx. one third up to the early 90s, then become stable at around 500 000. There will be a growing demand for training places in the service and white-collar sector. The training place supply situation is expected to follow this trend, probably with a certain time lag.

The opportunities for young women to obtain a training place have improved somewhat statistically but are still less favourable than for young men. One reason is the fact that the occupational aspirations of young women are directed more towards the service sector. Here, supply falls short of demand. The Federal Government will intensify its efforts to disseminate the positive results of the pilot projects with

girls in industrial/technical occupations and to encourage training firms to take on young women as trainees for occupations which in the past have not been typical for women.

2. Demand for skilled workers, continuing vocational training and qualification strategies

71. The link between initial and continuing training is growing in significance for reason of the fact that the acquisition of initial vocational qualifications is no longer sufficient for a whole working life. These qualifications must be regularly updated, extended and supplemented through continuing vocational training. More and more occupations are being directly affected by technological and economic change.

The legal basis for improved promotion of participants in vocational qualification measures took effect on 1.1.1986 (7th amendment to the Labour Promotion Act). The main improvements are as follows :

- a) an improvement has been made in the financial support for participants in vocational training measures;
- b) unemployed persons wishing to become self-employed may, for the first three months of their establishment, obtain a "bridging grant" equivalent to the unemployment benefit or unemployment assistance;
- c) grants are available for up to two years (formerly one year) for the integration of unemployed persons with placement difficulties.

In the field of continuing vocational training, the State only provides subsidies. In the interest of achieving an appropriate coverage of demand, it is necessary to improve the motivation of the individual and to make the firms aware that continuing training is primarily their own responsibility. In certain areas, the issue of continuing training ordinances by the State or the Chambers could be an appropriate promotion instrument. In addition, the State helps to stimulate the continuing training market through the promotion of research, support for pilot projects and initial support measures.

The State bears special responsibility for the promotion of continuing vocational training for certain groups of people to whose welfare it is committed, e.g. the unemployed, the disadvantaged and the disabled. Other political reasons may cause the State to assume responsibility for continuing training measures within the framework of its overall responsibility, for example, in respect of the reintegration of women in working life. Continuing training is also becoming more and more important as an instrument for the development of the regional and structural economy. Here the aim must be to design all these promotion measures in such a way that they conform to the principles of a market economy and do not lead to a distortion of competition.

GreeceDevelopments in Technical Education in 1987

72. One of the essential requirements for progress towards self-sustaining national development is the availability of capable and trained staff to be in charge of manufacturing and the provision of services, making a real contribution to the achievement of what is at once an educational, economic and social national objective.

One prerequisite for the training of such staff is the reorganization of technical and vocational education on a democratic, modern and planned basis, with the aim of economic development and social progress.

Thus, the activities pursued by the Ministry of Education and Religious Affairs in 1987 have been as set out below.

- 1) Efforts were made to implement the provisions concerning the bodies for participation by laymen in the education system, such as prefectural and sub-prefectural education committees, municipal and communal education committees, school councils and school committees. These councils and committees are the forums which reveal whether, and to what extent, specialist training and staff are needed in each region.
- 2) Work has started and is progressing well on the preliminary study and legislation on the occupational rights of those obtaining certificates from secondary technical and vocational schools. Work has been completed on the following specializations: motor vehicle mechanic, dental technician, mechanical engineering technician, electrician. The studies on assistant pharmacists and hairdressers have been completed and the relevant committees are currently studying the medical specialities, biology lab workers and electronics technicians. The committees comprise representatives of the ministries concerned, workers and employers.
- 3) Under the laws on the grading of civil servants and on recruitment to the public service, the recruitment of skilled persons who have gone through secondary technical/vocational education has been stepped up.

- 4) Ministerial decisions were adopted laying down the equivalence of schools under former national education systems with those under the new system introduced by the present law on primary and secondary education. These decisions regulate a matter which has been unresolved for many years (since 1977) and in fact had created a serious social problem for persons who followed older courses of technical/vocational education.
- 5) In the year under review, the relevant presidential decrees established 3 new TEL and 1 TES, added 25 new departments in existing TEL and 74 specialist sections in existing and new departments. Finally, 17 specializations were added at existing TES.

A precondition for the establishment or addition of departments and sections was that they had been proposed and approved by the prefectural councils after reasoned proposals made by the competent mixed bodies at a lower administrative level. The proposals also had to be in line with the spirit and direction of the 5-year programme of economic and social development.

- 6) School workshop centres (SEK) were introduced, serving 3 to 5 school establishments. The aim of the SEK is to provide better management, more complete equipment, more efficient use of equipment and better deployment of teaching and workshop staff.
- 7) A study was begun to define the structure of the specialization sections of the TEL. The aim is to cater for advanced technology and to deal with the broad range of specializations in different sectors of employment, always, however, having regard to the structure of Greek industry and its requirements.
- 8) A study has been completed on the introduction of technology courses in gymnasia. This has economic and social implications.
- 9) The competent division was brought into operation and 100 diplomas were granted equivalence, having been pending for a number of years following the abolition of the Council on equivalent qualifications in secondary technical and vocational education.

- 10) Four programmes of financial support by the ESF were drawn up for technical/vocational lykia and schools, which follow on from the programmes of previous years with guaranteed approval and 100 % take-up.
- 11) A study has already begun on the introduction of high technology in the workshop equipment of TEK and TES with a corresponding reform of educational syllabuses and the training of teachers.
- 12) Mention should be made of a number of training seminars for teachers at secondary TES, chiefly on high technology. In addition, specialist training seminars were held for newly-appointed teachers who will serve in technical schools.
- 13) The competent directorate and more specifically the competent division is taking part in the process of determining equivalent specializations in EEC Member States for the appropriate levels (level 2 which is being examined at this time) with a view to free movement of workers within the EEC.
- 14) The Presidential Decrees governing all matters concerning technical/vocational schools are already being prepared.
- 15) Work is progressing well, under existing procedures, which admittedly are somewhat time-consuming, on the writing or revising of textbooks covering the specialist subjects at TEL and TES.

In the OAED, specialization sections have been set up to ensure that specialist staff are available for the various industries.

For example :

Moskhato school : Plaster casting - Motor cycle maintenance and repair

Aikhaleo school : Dental assistants

Rodos school : Maintenance of biological purification equipment

Tinos school : Kalimnos fisheries technology section

Ptolemaida school : Mining/drilling specialists

Karditsa school : Heavy machinery section

Alexandroupolis school : Programmers - Domestic appliances

Didimotikhos school : Carpet making

Patra school : Manufacturing of carnival decorations, illuminations, etc.

Pirgos school : Traditional building technique.

Spain

73. With regard to the past two years of efforts to develop vocational training in Spain, the year 1987 brought both a marked broadening of the range of training opportunities available and a number of decisive steps towards adjusting these opportunities to the needs of the economy.

Whereas the number of school-leavers who moved on to vocational training schemes was 77,000 in 1985, a total of more than 300,000 entered such schemes in 1986; the figure is expected to increase by 50 % in 1987.

A regulation issued by the Ministry of Labour and Social Security in February 1987 laid down the administrative and financial framework for implementing the programmes of the National Vocational Training and Occupational Integration Plan, adopted a year previously. In addition, with a view to expanding and upgrading private-sector training provision, the Ministry also published guidelines governing the granting of subsidies for the establishment and equipment of training centres.

74. With regard to matching the content of the training programmes to the needs of the labour market, emphasis is being placed on an explicit preference for subjects with a direct relevance to the new technologies.

Also warranting special mention within this effort to modernize training provision is the inclusion of the first Spanish projects and programmes in the demonstration network of the EUROTECNET programme: the projects concerned include some run by public-sector vocational training agencies and others operating directly on the basis of private-sector initiative.

The adoption in February 1987 of the statutes of the General Council on Vocational Training which govern the operation of this body set up in 1986 has meant a direct strengthening of the annual Training Plans in terms of both the monitoring and implementation of the measures and influencing agreements between the social partners, by virtue of reference to this institutional platform for suggestion, evaluation and information.

During the course of 1987/1988 the Ministry of Education and Science will complete its consultations on the implementation of the Reform Plan for Media-based Instruction which will improve vocational training provision in the coming years by bringing learning material closer to the needs of the market and attaching priority to the technology content of training programmes (in particular that relating to the new information technologies).

Finally, mention should be made of the fact that 1987 brought the involvement of Spanish participants in Community programmes such as training of SEDOC instructors, measures to increase understanding of the labour market, etc. which, though indirectly, will contribute towards improving the structure of Spanish vocational training provision.

FranceSummary of recent developments

75. The most significant developments in the field of vocational training can be summed up under three headings.

1. Integration of young people into working life

The basis for the present schemes for young people of 16 to 25 years of age who find themselves without a job and/or qualifications upon leaving school remains the agreement reached between the two sides of industry in 1983, most of which is incorporated in the law of February 1984 and is backed up by various government initiatives on the fiscal and legislative levels.

It should be borne in mind that the schemes are based on the principle of combined work and training and that their duration, the proportion of time given over to training under them and the status of young people (trainee paid by the State or employee of the firm paid by the firm) vary according to the need for additional skills in relation to the actual or desired employment situation.

The innovatory feature of these traineeships is the involvement of firms in training, encouragement and support for which is provided in the shape of financial incentives :

- possible non-taxation of sums devoted to training, i.e. possibility of allocating sums which hitherto had to be paid to the State directly to training;
- total or partial temporary exemption of employers from payment of social contributions in respect of such young people. These provisions have been partly continued by a law of 30 July 1987, particularly as regards skill-acquisition contracts, which it is hoped to develop.

In addition to this consolidation of previous measures, note should be taken of the law of 23 July 1987 on the reform of apprenticeships, the implementation arrangements for which are now being drawn up.

The general idea is to enrich and diversify this area of combined work and training which has hitherto been limited to the crafts and trades sphere.

Henceforth, apprenticeships may open the way to the acquisition of all diplomas in the field of technological education and recognized qualifications; the total duration is no longer fixed at 2 years but may vary between 1 and 3 years and the proportion of time given over to training has been increased.

This upgrading of the apprenticeship system is covered by an employment contract of a specific type which must also be viewed in conjunction with the efforts of the Ministry of Education to establish links between all levels of educational establishments and firms.

The integration of young people into working life is therefore based on a number of convergent measures designed not only to prevent their becoming immediately unemployed upon leaving school but also to give them the basis of real skills which can be developed throughout their working lives. Many problems of a qualitative nature remain to be solved before this objective can be reached.

2. The long-term unemployed (LTU)

In France, more than 800 000 people have been unemployed for at least one year, 315 000 of whom have been unemployed for more than two years. Training schemes of the traditional type have emerged as unsuitable for dealing with the situation owing to the lengthy interruptions of working life involved.

A law passed in July therefore provided for special training measures based on a combination of work and training on the lines of the schemes for 16-25 year-olds;

Two schemes have been devised for LTUs of 26 years of age or more :

- "Stages de Réinsertion en Alternance" (SRA - Reintegration traineeships based on combined work and training) of 5 months' duration (of which at least 300 hours at the training centre) for those who have been unemployed for at least 2 years;

- "Contrats de Réinsertion en Alternance" (CRA - Reintegration contracts based on combined work and training) consisting of an employment contract of at least one year's duration and entailing 300 to 500 hours' training (adaptation to job) or 500 to 1 200 hours' training (skill acquisition).

Financial provisions allow the State to intervene as regards :

- the wages and social contributions of those on SRA (i.e.: those on vocational traineeships);
- exemption of employers from payment of social contributions in respect of those on CRA;
- assumption of all or part of the costs of training for SRA as well as flat-rate subsidies for costs sustained by the firm.

Furthermore, any employer who recruits an LTU upon completion of an SRA will be entitled to a 50 % reduction in employer's contributions for one year.

A group of qualified people ("BIDEGAIN group") has been set up to promote the integration of LTUs in firms on the basis of this type of combined work and training scheme.

3. Various measures of a general nature have been taken or are being drawn up :

- 3.1. In the legislative field, the same law of 30 July 1987 raised the minimum rate of the employer's contribution to continuous vocational training from 1.1 % to 1.2 %, the aim being to increase the funds assigned to measures for young people from 0.2 % to 0.3 %.
- 3.2. The fundamental deliberations begun officially on 27 March with the holding of a round table on vocational training chaired by the Minister of Social Affairs and Employment resulted on 7 December 1987 in the holding of a National Council on Vocational Training chaired by the Prime Minister.

On this occasion various measures to improve the system, especially on the qualitative level, were adopted by all the partners (government, employers, trade unions). For example :

- in order to put the concept of "training-investment" into practice, a tax allowance equivalent to 25 % of the increase in expenditure on training will be granted to firms with effect from 1988;
- the departmental training committees (consultation bodies) are being reorganized;
- lastly, the responsibilities of the two sides of industry in the procedures for the allocation of Individual Training Leave are to be increased.

Ireland

76. In 1987 the State agencies responsible for education and training in Ireland continued to respond to the needs of young people and the unemployed through the provision of a wide range of training and educational programmes. During the past year there have been several important developments in Ireland with policy and organisational implications for vocational training.

The major developments have been :

- the launch of a major initiative in April 1987 to help the long-term unemployed by the Department of Social Welfare - the JOBSEARCH programme
- the passing of the Labour Services Act in Parliament in July 1987 establishing a new national employment and training agency.

Following the general elections in March 1987, the Government immediately adopted an economic strategy of significantly reducing public spending to restore balance to the public finances and the education sector has felt the impact of this reduction in resource allocation. The Government also aims to stimulate growth through the development of particular key sectors of the economy. These include tourism, food and food processing, horticulture, mariculture, and financial services.

77. A major initiative to tackle the problem of long-term unemployment was launched by the new Government soon after taking office. A new programme, organised by the Department of Social Welfare with the help of the Department of Labour and manpower agencies staff, involved the interviewing of 150,000 long-term unemployed persons in 1987 to help them to find work, to examine their skills and training needs and to

assess their potential to take part in social employment or manpower schemes. The programme concentrates on helping people to re-enter the workforce by restoring their confidence, helping them to develop job-finding skills and familiarising them with the range of State support services available. A special four-week programme, comprising two weeks of intensive training in job seeking and two weeks active job-hunting with ongoing counselling and coaching was developed by AnCO - The Industrial Training Authority as part of the national Jobsearch scheme.

By the end of October 1987 over 100,000 people had been called for interview as part of the programme. 1,306 of these were disqualified from receiving unemployment payments because they failed to turn up for interview, because the interview revealed that they were not available for work or because they failed to avail of training courses. Another 2,915 people stopped signing on as unemployed as soon as they were called for Jobsearch interviews and a further 5,913 of those who attended for interview stopped signing on immediately afterwards.

78. In September 1986 the then Government published a long awaited White Paper on Manpower Policy in which it was proposed to amalgamate AnCO-The Industrial Training Authority, the Youth Employment Agency, the National Manpower Service and CERT - the hotels and tourism training body, into one agency. The reorganisation of manpower agencies proposed in the 1986 White Paper became reality in 1987 when the new Government introduced a Bill to establish a new agency - An Foras Aiseanna Saothair (The Labour Services Organisation)- an amalgamation of AnCO, the Youth Employment Agency and the National Manpower Service. Plans to include CERT, the hotels and tourism training body, in the merger were dropped. The main functions of the new body will include the provision of training, retraining, work experience and similar manpower programmes, labour market and training research, the provision of placement guidance and career information services and support for co-operative and community - based enterprises. The organisation will have a regionalized structure with devolved decision-making. The central focus will be on operating services which will help to boost industrial performance and maximise employment growth and to satisfy the needs of school-leavers, the unemployed and those who are educationally and socially disadvantaged.

The Labour Services Act was passed in the Dail (Parliament) in July 1987 and FAS, as the new body will be known, will begin its operation on 1 January 1988.

Italy

79. In 1987, the main legislative developments as regards the social and employment situation were :

- approval of Law No 56 on the reform of the labour market;
- approval of Law No 40 on the financing of the central vocational training bodies;
- beginning of the debate between the State and the Regions on the revision of the Framework Law for Vocational Training.

As regards the implementation of existing laws, the year under review saw the first recruitments of long-term unemployed young people under two special plans launched in 1986:

- the special plan for youth employment provided for in Law No 113/86, which aims to encourage firms to take on under employment-training contracts young people aged 18-29 years who have been unemployed for at least 12 months; in 1987 approval was granted for the recruitment of a further 15 000 young people at an estimated cost in the next two years of nearly LIT 200 000 million in respect of recruitment incentives and the reimbursement of training expenditure;
- the special plan for financial assistance to firms presenting suitable projects for the application of new technologies to the enhancing of cultural assets; in January 1987, 39 project concessions were granted entailing the commitment over the next three years of funds totalling LIT 600 000 million; as a result, another 2 000 young people unemployed for at least 12 months have already been taken on to work and be trained in the proposed activities.

Law No 863 of 1984 which introduced employment-training contracts as a normal form of recruitment for young people aged 15 - 29 remained in force in 1987. This type of contract has the economic advantage for firms of exemption from the payment of social charges to the State. On expiry of the two-year employment-training period, the firm is not obliged to keep the trainees on. However, initial surveys by ISFOL show that over 80 % of participants in the scheme have retained their jobs and even for the unlucky minority the work experience acquired has helped in the task of finding another job: the waiting time between jobs for these young people is, educational qualifications being equal, one quarter of that for young people who have not had the benefit of an employment-training contract.

At least 400 000 young people, less than 10 % of them in the Mezzogiorno, found employment on this type of contract in 1987.

As regards the more important aspects of the new laws, it should be noted that the reform of the labour market (Law No 56/87) had been awaited for more than 10 years and enables the offices of the Ministry of Labour to be organized on a stronger and more independent basis, at regional level with Regional Employment Committees exercising certain decentralized powers. These Committees will comprise representatives of the regions, trade unions and employers' associations.

80. A system of national and regional labour market observation units has also been set up. The activities of these units, in coordination with ISTAT, the National Statistical Office, will make it possible to compile homogeneous statistics at all levels, including coverage of information obtained from firms (employment vacancies).

Law No 10/87 provides for financing from the Ministry of Labour for the national headquarters of vocational training bodies (which organize over a third of regional training activities in Italy). This subsidy of LIT 10.000 million per year will open the way for the national coordination of training activities - which are devolved to the regions - thereby facilitating the communication of valuable experience from one region to another and the adoption of certain national quality standards for training, which can thus be brought increasingly closely into line with technological advances (which do not move at the same pace throughout the country).

81. In November the Minister of Labour met with the regional officials responsible for vocational training and labour market affairs. Agreement was reached on certain steps to implement law No 56 on the labour market (some 15 to 20 districts were defined for each region) and broad outlines of the reform of the vocational training system were established on the basis of a Ministry of Labour working paper. These reforms will be worked out in greater detail during 1988. Very briefly, the salient features are :

- a) higher standards for admission to the profession of vocational training instructor;
- b) full utilization of the European Social Fund as an additional source of financing for the regional budgets through advance financing mechanisms;
- c) a broader target population for vocational training - including not only young people but also unemployed persons and adults in small firms and exploiting distance-learning techniques.

LuxembourgInitiatives and developments in the vocational training system
in the Grand Duchy of Luxembourg.

82. All the efforts made by the Government, the Chambers, the craft and industrial federations, and vocational and school counsellors to steer young people towards the manual occupations have failed to achieve the hoped-for results. 1987 was again characterized by an imbalance between the supply of and demand for apprenticeships. At the start of the 1987-88 school year, recruitment for industrial apprenticeships barely attained 20 % of the training capacity of the major industrial undertakings despite the fact that one of the biggest industrial training centres stopped training apprentices as from that date. The preference on the part of young people for occupations in the services sector, in particular for training as office workers, and the increasingly evident trend among pupils to opt for full-time training further aggravate the imbalance between the crafts and industrial apprenticeships available and the number of young people wishing to conclude an apprenticeship contract.

In response to the increasingly pressing requirements of some occupations, two new training courses are being conducted on a day-release basis since the beginning of the 1987-88 school year. These courses relate to the occupations of winegrower and beautician. While there was hitherto no specific training for beauticians in Luxembourg, training in winegrowing took the form of continuing training by the State Winegrowing Institute, which comes under the Ministry of Agriculture and Winegrowing. Henceforth such training will be in the hands of the facilities set up under the amended law of 21 May 1979 on vocational training and technical secondary education. The teaching of general theory will be in the hands of a technical secondary school, while that school and the aforementioned Winegrowing Institute will share responsibility for courses in occupational theory and practical training.

To meet the new training requirements expressed by senior representatives of the trades of roofer, tinsmith, carpenter and insulation technician, these four trades have been put together under the heading "roofing trades". For the first year of apprenticeship the training is the same for all four trades as regards theory and a part of the practical training. Specialization increases in the second and third years.

Finally, talks have been opened with the federation of horticulturists on a reform of the training for occupations for which it is responsible. The talks, which should produce concrete results in 1987-88, are aimed at giving the vocational training of horticulturists a broader base as regards theory and, even more so, as regards practical work.

The Netherlands

83. In terms of preparation for further education and working life there have been two major policy developments as regards the education of 12 to 16 year-olds (the "first stage" of secondary education).

The first concerns a draft Law introducing a basic education curriculum in the first three years of secondary schooling. In this the Government is broadly following an opinion delivered by the Academic Advisory Council for Government Policy Planning. The aim is to raise the general level of education, increase the range of choice as regards subsequent education/training opportunities and improve linkage with courses following on from the first-stage secondary level. To this end, objectives have been defined at two levels for the fourteen subjects which will make up the core curriculum for all types of first-stage secondary education.

The second development concerns the third and fourth years of vocational lower secondary education. Amendments to a number of laws and decrees are being drafted with a view to emphasizing the vocational preparation aspect of this type of schooling, e.g. by an increase in the time devoted to vocationally oriented subjects, examination course structuring and the possibility of attachments to firms.

The proposals for preparatory vocational education (as vocational lower secondary education will henceforth be known) have been brought into line with those for the three-year basic education course mentioned earlier. Both changes should take effect on 1 August 1989.

Plans to concentrate vocational upper secondary education on a sectoral basis in so-called "sector schools", and to give these schools a considerable measure of autonomy in terms of organization, planning and curriculum, have been worked out in greater detail. The same applies to plans to give these sector schools substantial latitude as regards the recruitment and legal status of staff, and scope for responding to the needs of industry by providing training on a contract basis. A draft Law incorporating these changes is likely to be brought before Parliament in the near future.

The Government, educational organizations and the two sides of industry have agreed on the criteria for recognition (and subsidizing) of sectoral education-industry consultative bodies.

As a result, these bodies now seem assured of rapid recognition.

84. Making courses more flexible by placing them on a modular basis is an important step towards improving the link-up between education and working life. Upper secondary schools for technical studies (MTO), commercial/administrative studies (MEAO), retail/catering studies (MMO) and community-service/health care occupations (MDGO) are all being encouraged to move towards a modular course structure through the development of examination syllabuses and sample curricula, the provision of in-service training and back-up services and the adaptation of legislation.

Now that most upper secondary vocational schools have been equipped with computers, a considerable effort is being made to develop curricula to meet the increasing technological demands of many occupations. These efforts are primarily focused on the development of courseware. Costly advanced equipment has been installed in regional centres. At the end of 1986 the NABONT project for in-service training on new technologies in vocational education was launched. The aim is to familiarize teachers with the latest developments in new technologies through courses, projects and attachments to firms. This development is linked to the installation of new equipment, which enables teachers to apply their newly acquired skills directly in their teaching.

With regard to the apprenticeship system, new assistant-level training schemes are being prepared for industrial automation and logistics management, in addition to existing schemes for microcomputer assistants and applications programmers.

The process of doubling the intake of the apprenticeship system has virtually been completed. Efforts are now being concentrated on increasing the intake in the metalworking and construction sectors, where the growth has remained relatively low.

The State Subsidy Scheme for Career Advisory Services is now operational. Under this scheme all establishments for secondary and special secondary education can sign contracts with centres for educational and vocational guidance. The centres may also be commissioned to carry out projects dealing with one or more specific areas in collaboration with the schools. One such area is the implementation of the occupational orientation programme developed via the Rhine Delta Education/Employment Contact Centre (a European Community pilot project).

Portugal

85. As in 1986, there was an increase in vocational training activities largely due to European Social Fund assistance for operations underway. An estimated 180 000 persons were beneficiaries of the vocational training operations organized with ESF assistance in the year in question.

It should be noted that most of the assistance from the ESF relates to vocational training operations for young people under the age of 25.

In addition, it should be noted that many of the arrangements drawn up by vocational training centres with the Institute of Employment and Vocational Training (IEFF) and the employers and trade union organizations for specific sectors of activity were approved.

The regional IIEFP tripartite advisory boards also came into operation.

A study of existing vocational training facilities was initiated this year with the aim of making the maximum possible use of existing training equipment and facilities.

Finally, work is underway which should lead to the publication of a framework law, an essential legal instrument for the setting up of a genuine vocational training system.

United Kingdom

86. The UK Manpower Services Commission (MSC) continued during 1987 to lead national developments in vocational education and training within the three objectives of the New Training Initiative (NTI), i.e.:

- to develop occupational training, including apprenticeship, in such a way as to enable people entering at different ages and with different educational attainments to acquire agreed standards of skill appropriate to the jobs available and to provide them with a basis for progression through further learning (Objective One);
- to move towards a position where all young people under the age of 18 have the opportunity either to continue in full-time education, or to enter training or a period of planned work experience combining work-related training and education (Objective Two);
- to open up widespread opportunities for adults - whether employed or unemployed or returning to work - to acquire, increase or update their skills and knowledge during the course of their working lives (Objective Three).

Vocational Qualifications

Major reform is underway. A National Council for Vocational Qualifications has been established and has begun its task of approving qualifications against a five-tier framework. A key activity is to develop reformed qualifications based upon competence required in work. To this end MSC is leading a national programme to develop standards of competence defined by industry bodies. MSC is taking steps to incorporate the new standards-based qualifications within its own youth and adult programmes.

Technical and Vocational Education Initiative (TVEI)

TVEI is now in its fifth year, and is being extended from pilot projects to cover 14-18 year olds in all schools. TVEI tests alternative approaches towards making the curriculum practical and relevant to working life.

Youth Training Scheme

The two year scheme, launched in April 1986, provides 16 year old school leavers with a two-year foundation of occupational training (one year for 17 year olds), offering all the chance to obtain a recognised vocational qualification or credit towards one. Around 400,000 young people received YTS training in 1987. During the year all managing agents delivering YTS were reviewed and - if satisfactory - declared approved or provisionally approved to run the scheme. YTS, which includes both employed and unemployed young people, is increasingly being established as the normal route from school into work. During the year a new inspectorate - the Training Standards Advisory Service - began to report on the state of quality within YTS.

Adult Training

During 1987 a new Job Training Scheme was introduced to provide unemployed 18-25 year olds, out of work for more than 6 months, with up to one year of training. Key features of the scheme include detailed initial assessment, individual action plans, and the chance to obtain a recognised vocational qualification or credits.

A range of other adult programmes continued throughout 1987, including training for launching new businesses, local grants to employers, support for priority skills, promotion of open learning, and management development. The National Training Award Scheme was launched in March 1987 to recognise excellent training practice by employers. The Open College offers open learning packages leading to qualifications for adults of all backgrounds, often using TV and radio. Local Employer Networks are now involving employers in the planning and delivery of vocational education and training at local level. Training Access Points are being established in public places given open access to information about training opportunities.

The MSC continued to negotiate with colleges of further education to draw up agreed development plans for their non-advanced work related provision (NAFE) to help link it as closely as possible to labour market needs.

Chapter IVSOCIAL DIALOGUE AND INDUSTRIAL RELATIONSMulti-sectoral social dialogue at Community level

87. By far the most outstanding event was the active continuation of the talks between workers' and employers' organizations at Community level fostered by the Commission.

The meeting, organized by the Belgian Presidency and the Commission, between the Commission and top-level representatives of the two sides of industry from the Member States, which was held on 7 May 1987 at the Egmont Palace, revealed a willingness on all sides to continue along the path they had chosen and gradually step up the social dialogue at Community level.

The Commission, for its part, took gratified cognizance of this willingness on the part of the two sides of industry to intensify and consolidate direct discussions in those areas which are their direct responsibility, and announced that it was ready to continue to organize and stimulate this dialogue while respecting the autonomy of the parties involved.

The President of the Council furthermore emphasized the importance of the social dialogue in smoothly bringing about those fundamental technological and social changes which alone will enable Europe to achieve the ambitious objectives it has set itself in terms of employment growth and social justice.

Two working parties, moreover, set up on the basis of the conclusions of the meeting held at Val Duchesse on 12 November 1985¹, met on a number of occasions during the year.

The Macro-Economics Working Party met on 26 June 1987 under the chairmanship of Mr Alois Pfeiffer, Member of the Commission responsible for economic affairs, for a discussion on the viability and social implications of both private and public investment. At the end of this meeting both sides

¹ Social report 1985, point 94.

unanimously agreed to send a telegram to the Presidents of the Council and the Commission, on the eve of the European Council of 29 and 30 June 1987, confirming their full support for the objectives of the cooperative growth strategy for more employment, the completion of the internal market, and economic and social cohesion.

88. Following the meeting held on 26 November 1987 under the chairmanship of Mr Schmidhuber, new Member of the Commission responsible for economic affairs, on the eve of the European Summit of 4-5 December 1987 in Copenhagen, the working party sent a telegram to the Presidents of the Council and the Commission confirming once again their support for the objectives of the cooperative growth strategy for more employment and the completion of the internal market. They subsequently adopted the following joint opinion on the Commission's annual economic report for 1977-88.

JOINT OPINION ON THE ANNUAL ECONOMIC REPORT 1987/88

1. Within the framework of social dialogue at Community level, the Union of Industrial and Employers' Confederations of Europe (UNICE), the European Trade Union Confederation (ETUC) and the European Centre of Public Enterprise (CEEP) have in 1987 continued their work in the Macroeconomics Working Party established at Val Duchesse on 12 November 1985. In particular, there has been an in-depth exchange of views on the Annual Economic Report 1987/88 adopted by the Commission on 14 October 1987.

UNICE, ETUC and CEEP confirm the agreement which they expressed on 6 November 1986 on the basic principles of the Cooperative Growth Strategy for More Employment; for their part, they continue to declare their willingness to make their contribution to this strategy and urge that the governments of the Member States devote more effort to its implementation.

Strengthening the Cooperative Strategy has increased in necessity now that the international financial upheavals, combined with the impact on the competitiveness of European industry of the decline of the dollar,

will entrain a slowing of economic activity. The growth prospects for 1988 were already insufficient to envisage a significant reduction in unemployment. Growth has indeed become more employment-creating as a result of a whole series of factors, amongst others the development of services as well as the reduction and reorganisation of working time, in which new forms of work contracts have played an important part. However, to obtain the desired reduction in unemployment an annual increase in employment of the order of 1-1,5 % is necessary. In the framework of the Community strategy, a growth rate of GDP of 3-3.5 % would be a precondition for that. We are a long way from achieving that at present and new actions are needed in Europe by governments to implement the Cooperative Strategy.

2. Correcting the major imbalances of the world economy which are at the origin of the crisis and achieving greater exchange rate stability require from the major partners of the world's economy an effective coordination of economic, monetary and budgetary policies. The contribution which the Community can bring to this is to create the conditions for stronger internally generated growth. Such growth is equally in the Community's own interest, to the extent that it eases the attainment of its objectives which are also supported by the social partners : a significant reduction in unemployment, the realisation of the large internal market and the strengthening of economic and social cohesion.

3. The desired acceleration of internal growth will be achieved more effectively by an active policy of improving supply and demand conditions, most of all by a significant acceleration of investment. In this respect, a control of costs and an improvement in sales prospects is essential. These are important factors if entrepreneurs are to be able to count on satisfactory profitability for their investment. However, in response to the dangers of a further slowdown in growth, determined action by governments is necessary at Community level. Such action, in keeping with the Cooperative Growth Strategy for More Employment, must focus on the following main points:

- a) The first necessity is to strengthen internal growth in the Community by a budgetary effort to reduce obligatory charges and to increase economically profitable or socially justifiable public investment in a coordinated way. Such an effort should differ between countries to take account of the different national and social situations. Furthermore, a concerted action is indispensable in order to widen the margins of manoeuvre of the Member States as a whole. Parallel action by the EFTA countries would further strengthen this process.

Such an effort, which was moreover envisaged by the Council "Economic and Financial Affairs" in July 1987, seems especially urgent since growth will slow down further as a result of the international financial upheavals. Beyond the direct effects on growth, the very announcement of a Community effort should have significant positive psychological effects on investors. The Council "Economic and Financial Affairs" reaffirmed on 16 November 1987 its wish to improve the conditions for further internally-generated non-inflationary growth. This is a step in the right direction, which should be rapidly followed by the effective implementation of concrete measures.

UNICE, ETUC and CEEP recall that in their joint opinion of 6 November 1986 they stated that some leeway needed to be made up in the areas of public and infrastructure investment. Stronger expansion of such investment in the framework of a healthy budgetary policy would make an important contribution on both the supply and the demand sides towards achieving higher growth. A more rapid execution of large-scale infrastructure projects of European interest would at present be particularly appropriate in order to boost demand while strengthening the Community's productive potential. These projects should contribute notably to the strengthening of cohesion within the Community by establishing communication networks able also to promote the development of less-favoured regions. Improved conditions for mobilizing private capital would help to prevent their financing from placing an increasing burden on public budgets.

- b) The reduction of exchange rate uncertainties is an important factor for an acceleration of private investment. In this respect, the European Monetary System is a valuable achievement. The strengthening of the EMS, in the terms unanimously endorsed by the Finance Ministers at their meeting at Nyborg on 12 September 1987, is an important step. While safeguarding what has been achieved in terms of stability, increased cooperation in the monetary field will have to create conditions propitious for the lowering of real interest rates, which, at their present high level, are still a brake on investment and a burden for public budgets. Lower interest rates will be achieved more easily to the degree that inflationary expectations remain subdued. However, the stability achieved will only provide its full benefit if cooperation is reinforced and extended to other areas of economic policy and permits an improvement in growth and employment performance as well.
- c) The internal market must be achieved rapidly while taking into account social policy, implying a full implementation of Articles 118 and 130 of the Treaty, as amended by the European Single Act. The three organizations intend to deepen the exchange of views on this issue. By opening up new prospects for enterprises, the internal market will become a true engine of growth. Until now, progress has been insufficient. The decisions must now be taken without delay, in this way demonstrating the irreversible nature of the enterprise, and resulting in the investment opportunities which it creates being seized more rapidly.

Macroeconomic policies improving the prospects for growth are indispensable if the achievement of the large internal market is to avoid widening the disparities between the regions of the Community. Stronger growth will also permit sectoral and social problems to be more easily overcome.

However, these must also be paralleled by effective structural policies. In this connection, particular importance should be attached to research and development policy and to improving the vocational training of the labour force.

UNICE, ETUC and CEEP support the Commission's fundamental options for reforming the structural funds in the framework of a balanced Community budget as expressed in the communication "The Single Act : A new frontier for Europe". They consider that a significant increase and improved effectiveness of these funds are essential elements for strengthening the Community's economic and social cohesion.

89. The Working Party on New Technologies and the Social Dialogue met on 6 March 1987 under the chairmanship of Mr Manuel Marin, Vice-President of the Commission responsible for employment, social affairs and education. At the end of this meeting the working party adopted the following joint opinion :

JOINT OPINION CONCERNING TRAINING AND MOTIVATION, AND INFORMATION AND CONSULTATION

Following the meeting of 12 November 1985 between representatives of employers' organizations affiliated to UNICE and CEEP and trade unions belonging to ETUC, the Commission convened a working party on "Social Dialogue and New technologies", which subsequently decided to concentrate on two specific themes : training and motivation (A) and information and consultation (B).

A. Training and motivation

The participants in this working party issued the following joint opinion concerning the part of their work relating to training and motivation :

- they took the view that the process of introducing new technologies would be economically more viable and socially more acceptable if accompanied, among other things, by effective training and greater motivation for both workers and managerial staff, factors which, in their view, constitute a genuine investment.

To this end, every member of staff of the firm, at all levels of responsibility, should be encouraged to make the necessary efforts at adaptation and training, also through personal commitment;

- they also stressed that vocational training - comprising basic training, in-service training and retraining - should be able to satisfy the demands

of workers, firms, the economy in general and the internal market in particular. From this point of view and in the spirit of this opinion, the work carried out by the Commission and the CEDEFOP on the development of training systems and their comparability needs the active support of both sides of industry and the Governments. A system for the mutual recognition of qualifications should be rapidly introduced at European level;

- they point out that responsibility for basic training, whether provided by the education systems or the basic training systems, lies with the public authorities.¹ However, in order to ensure greater consistency between training and the requirements of the economy, firms and workers, the authorities should consult and involve the two sides of industry more than they do at present;
- with a view to the adaptation of training systems, they feel that the two sides of industry must actively contribute towards the transition of young people from school to working life, more particularly by developing the Community programme of pilot projects. In this context, they stress the need to reorganize the education systems so as to make them more efficient - from basic training to training in advanced skills - and promote greater versatility and the acquisition of basic skills required for the transition of young people to adult working life. Priority should be given to the development of a continuous process of guidance and counselling, as well as to the training of instructors and to methods of training needed in order to meet these requirements;
- they also consider that in-service training should enable employees to adapt swiftly and continuously to structural changes in firms, and that the costs of such training should be borne by the firms themselves. Information and consultation of the workforce or, depending on national practice, of its representatives, on training programmes carried out by the undertaking, would help to increase employees' motivation by improving their understanding of the changes facing the firm²;

¹ Unless provided by the firms themselves.

² CONFINDUSTRIA here refers to the arrangements arising out of collective agreements drawn up in Italy.

- they stress that retraining measures must enable employees to find work or another job , as defined in paragraph 2 above, either in the same firm or elsewhere. It will, in principle, be the firm within which the worker continues to be employed with different skills which will have to bear the cost of these measures. However, at the same time, they emphasize that the economic and social value of a retraining policy implies that public vocational training bodies should play a part so as to ensure a proper distribution of the costs and a better utilization of resources. By contrast, the burden of retraining workers who no longer continue to be employed by the original firm will have to be borne by the public authorities or the firm which recruits them;
- they also took the view that in-service training and retraining would be more effective if backed up by a policy designed to improve the forecasting of trends as regards skills and employment, particularly at regional and local level, so as to promote convergence between the respective aims of training and employment;
- as regards the implementation of a vocational training policy for small and medium-sized businesses, a more detailed study should be made of the ways and means by which the specific characteristics of these undertakings could be accommodated;
- special attention should be devoted to unskilled first job-seekers, particularly as regards people under 25 and women.

B. Information and consultation

Acknowledging the need to master and manage the changes resulting from the process of industrial transformation now in progress, so as to make them effective and socially acceptable, the members of the Working Party issued the following joint opinion on that part of their work which relates to information and consultation in connection with the introduction of new technologies in firms.

- To clarify what follows "Information and Consultation" must be understood as applying to workers and/or their representatives, in accordance with the laws, collective agreements and practices in force in the countries of the Community.
- The participants acknowledged the need to make use of the economic and social potential offered by technological innovation in order to enhance the competitiveness of European firms and strengthen economic growth, thus creating one of the necessary conditions for better employment and, taking particular account of progress in the field of ergonomics, for improved working conditions.
- The participants stress the need to motivate the staff at all levels of responsibility in firms and to develop their aptitude to change, amongst other ways by means of good information and consultation practices. They consider that such motivation will be all the higher if all the staff are in a position to understand the economic and social need for structural and technological change and the potential which such change offers to firms and to the workforce.
- The participants note that, in most countries of the Community and also in many industrial sectors, there exist various forms of information and consultation procedures and negotiating practices. Whilst acknowledging the diversity of the existing procedures, they consider that best use should be made of the existing procedures.
- Both sides take the view that, when technological changes which imply major consequences for the workforce are introduced in a firm, workers and/or their representatives should be informed and consulted in accordance with the laws, agreements and practices in force in the Community countries. This information and consultation must be timely.

In this context :

- Information means the action of providing the workers and/or their representatives, at the level concerned, with relevant details of such changes, so as to enlighten them as to the firm's choices and the implications for the workforce,

- consultation of the workers and/or their representatives, at the level concerned, means the action of gathering opinions and possible suggestions concerning the implications of such changes for the firm's workforce, more particularly as regards the effects on their employment and their working conditions.
- Both sides consider that information and consultation may, in certain circumstances, require an obligation to observe secrecy or confidentiality in order to prevent any damage to the firm. The conditions relating to such confidentiality and the power to withhold the secret or confidential information, as also the need to provide timely information concerning major changes in the terms of employment and working conditions of the staff concerned, fall within the scope of the laws, agreements and practices in force in the countries of the Community.
- Both sides state that information and consultation must facilitate and should not impede the introduction of new technology, the final decisions being exclusively the responsibility of the employer or of the decision-making bodies of the firm. It is understood that this prerogative does not exclude the possibility of negotiation where the parties take a decision to that effect.
- In order to improve understanding of the new technologies, promote the acquisition of new skills and enhance adaptability, both sides express the wish that appropriate training for both employers and workers be developed.
- In this connection, both sides express the wish that the Commission develop ways and means of contributing to this process.
- Despite their differences as to the appropriateness of resorting to Community legal instruments, both sides recognize that it is worthwhile encouraging the development of information and consultation practices in matters relating to the introduction of new technologies in the countries of the Community.

- Furthermore, both sides note that, on the basis of a variety of practices, adaptability and flexibility are developing throughout the Community.

To this end, the two sides confirm their readiness to continue the social dialogue on the implications which the introduction of the new technologies has in the field of adaptability and flexibility, particularly with a view to improving the competitiveness of European firms and conditions of work and employment.

90. At its meeting of 21 May 1987, which was also chaired by Mr Manuel MARIN, Vice-President of the Commission, the Working Party, held an initial exchange of views on "New technologies, organisation of work, adaptability of the labour market".

A second meeting on the same topic was held on 10 November 1987, at which the two parties agreed to continue and intensify their exchange of views.

Social dialogue at sectoral level

91. At sectoral level the social dialogue has been progressing satisfactorily; the trend observed in 1986 is being sustained, and the social dialogue is gaining in importance, thus confirming the projections made by the Commission in its programme for 1987 (point 43) "As far as the social dimension is concerned, the progress made in the context of the social dialogue at micro-economic level is pointing to better ways of coping with structural and technological change. The dialogue will have to be broadened in certain industries".

One important institutional development was the renewal of the sectoral joint committees. Most of these were set up in the 1960s and 1970s. To take account of enlargement, the rules had to be changed and Spanish and Portuguese members appointed. In the course of the year this process was completed in respect of the Joint Committees on Social Problems of Agricultural Workers, Inland Waterways, Road Transport, Social Problems in Sea Fishing, and Railways. Another committee, the Joint Committee on Maritime Transport, was placed on a formal footing.

A large number of meetings in the various sectors (with or without joint committee) were organized, some of which were attended by researchers or experts. This social dialogue enables the Commission to obtain a better idea of what the points of view of the employers and trade unions are, and to stimulate the discussion between them.

92. On 24-26 June a seminar on the social aspects of the Common Agricultural Policy was held. It was attended by some 100 experts from various organizations, including COPA and EFA. The conclusions contained concrete proposals for continuing these discussions.

The active participation in the Joint Committee on Fisheries, particularly by Spanish and Portuguese representatives of this branch, reflects a new dimension of this sector since enlargement. Trans-frontier

training and awareness programmes organized for the benefit of instructors and fishermen were particularly appreciated. The maritime telemedicine programme for radio medical assistance at sea (MAC-NET) warmly welcomed a new Greek member, the Panhellenic Red Cross.

On 26-27 November, a seminar was organized in Luxembourg on developments in the employment situation in the banking sector. A working party from the banking sector had spent two years preparing this seminar; it provided both the participants and the Commission with valuable information.

Within the context of plans to modernise the construction industry, representatives of the two sides of that industry and project heads in construction training centres or similar institutions adopted some 15 pilot projects relating to training in new information technologies, which, after approval by national coordinators, were integrated into the EUROTECNET 1987/1988 pilot network.

Representatives of the two sides of the shipbuilding industry were consulted on the Commission's overall strategy to deal with the acute crisis of the shipyards; they gave detailed comments on the proposed sixth Directive on aid (COM(86)531 final) and on the guidelines on industrial, social and regional aspects put forward by the Commission (COM(86)553 final).

Trends in the Community

93. During the period under review, collective bargaining throughout the Community showed unmistakable signs of vitality, although the degree varied from one country to another.

In the main, traditional issues, such as pay and working conditions, continued to be at the centre of negotiations. There is nevertheless a growing tendency to extend and progressively upgrade the objectives pursued. Collective bargaining, with its flexibility and its by now well established capacity for realism, is showing an increasing tendency to come to grips with new problems : employment, adaptability of the labour market, work organization, technological innovation, industrial efficiency, etc.

This process can at times be slow and make considerable demands on all parties in terms of changes in behaviour and attitudes. Adaptation of the process of negotiation to new economic, technological and social realities is taking place at a different pace depending on the Member State.

In our industrial societies, collective bargaining has thus clearly proved its worth as a free, flexible and rational means of social regulation but it has also shown itself to be an effective means of underpinning and containing structural change.

94. By and large, the improvement in the economic situation in 1986 has led to new wage claims, following a period of wage restraint imposed by the Government in some countries (mainly through the slowing down of wage indexation mechanisms), or negotiated by the two sides of industry in others. Another phenomenon are new types of agreements which reflect a mutual effort to link wage restraint not only to increased efficiency, but also to employment-promoting measures. This approach, however, seems to be running into a certain degree of resistance at lower levels of negotiation.

The general trend towards a gradual reduction in working time continues throughout the Community, but the pace varies from one Member State to another. Shorter working time is, moreover, increasingly linked to a whole range of flexibility measures, which shows an acceptance by both sides of industry of the separation between working time at individual and plant level.

The wide and complex issue of adaptability is not only central to the vigorous debate at political, economic and social level in all the Member States, it also plays an increasingly important part in collective bargaining at various levels. Negotiators are aware of their joint responsibility and are trying hard to find a consensus to reconcile industrial performance while safeguarding the fundamental guarantees of wage earners.

Since the end of the 1970s, technological innovation and its repercussions on the organization of work and working conditions have led negotiators at different levels to explore ways of reaching formal agreements on specific rights to information and consultation on company policy in this regard. The practice of so-called technological agreements continues : we may assume that this trend will receive a further impetus from the adoption, on 6 March 1987, by UNICE, CEEP and the ETUC - within the framework of their social dialogue at Community level - of an opinion on information and consultation procedures, although it is too early to say to what extent it will find its way into collective agreements at national level.

95. As regards worker participation in general, although the 1960s and 1970s yielded a rich crop of legislation throughout the Community, significant reversal of this trend is emerging in the 1980s : structural adjustments and the many different types of situations which firms are now facing have produced conditions in which participation is increasingly a matter for negotiation between the two sides of industry.

Most industrial relations systems in the Community seem to be going through a process of major change and adjustment; the pace at which this process takes place again varies from one Member State to another.

The general context of this recent trend is dominated by three factors, the repercussions of which are widely known : economic constraints, technological innovation, and the qualitative and quantitative changes on the labour market.

The balance of power between the two sides of industry has, moreover, shifted as a result of rising unemployment, the decline of highly unionized sectors, and the degree of initiative shown by employers' organizations.

The role played by the State in industrial relations continues to be an important one, even where it remains in the background during negotiations.

There appears to be a trend towards decentralization in collective bargaining. This observation, however, needs to be qualified : although bargaining is clearly taking place at different levels which are inter-related, decentralization, although an undeniable fact, is neither an exclusive nor a dominant factor. Where, some 15 years ago, collective bargaining usually took place at branch level, the situation today is more complex and varied.

What is becomingly increasingly apparent throughout the Community is that the various partners involved in the current industrial relations systems, faced with radical structural changes - some of which render obsolete certain instruments and standards of social regulation - often try

to find a consensus on what one might call a new set of rules likely to stimulate coherent patterns of behaviour which are compatible with economic, productive and technological constraints, and which will help to preserve the basic guarantees of wage earners.

What we are seeing, then, throughout the Community, is the development of intensive discussions on a wide range of issues. There is, moreover, no lack of significant progress in terms of agreements, often of an experimental nature.

96. The continuation and development of the social dialogue at Community level on both macro- and micro-economic aspects of the cooperative growth strategy for more employment, raises the question of the interaction between talks at Community level and the social dialogue at national level.

Developments in the Member States reveal a certain degree of osmosis between national and Community strategies. Although there is, in general, a considerable degree of consensus on the objective pursued, differences remain as to the means whereby the employment situation is to be improved. (Are general policies, for instance, sufficient to solve the employment problem? Or should they be supplemented by specific policies in certain areas, e.g. favouring categories hardest hit by unemployment?)

Nevertheless, the implementation of the Community's strategy does not seem to have produced any specific initiatives in terms of social dialogue between the public authorities and the two sides of industry, or the setting up of ad hoc consultation bodies; the presence of the Community's strategy is nevertheless felt, albeit in an indirect or implicit way, in the discussions which are being held within the framework of national consultation facilities, where these exist.

Collective bargaining and industrial relations in the Member States

97. In Belgium, although the Government discontinued its intervention in wage formation, thus restoring freedom of negotiation to the two sides of industry, a draft Law was introduced giving the Government powers to intervene in pay policy if wages rose to a level which could put Belgian firms at a disadvantage in relation to foreign competitors. The Government, however, does not intend to use this right in the coming months since the implementation of the agreement of 7 November 1986 did not have any untoward effects on wages.

A tripartite conference was held on 11 February to discuss employment and unemployment.

By and large, relations between the two sides of industry hinged on implementation of the multisector agreement of 7 November 1986¹ in the individual industries and firms. According to data available on 15 November 1987, some 86 % of workers were affected by a sectoral or company agreement, the workers not so affected being in the retail trade and the non-market sector.

Wage increases remained within limits considered reasonable by the employers' organizations and in most cases concerned an increase in the minimum wage.

With regard to employment promotion, most sectors responded to the recommendation of the intersectoral agreement to devote 0.5 % of the wage bill in both 1987 and 1988 to this purpose. In this connection, sectoral agreements contain a wide range of measures, mainly concerning training, net recruitment of workers, improvement to the early retirement system, breaks in working life, dismissal procedures, promotion of part-time work, and retraining.

¹ Social report 1986, point 104.

The 38-hour working week has become almost general, the number of persons currently working more than a 38-hour week having been considerably reduced.

The National Labour Council has not yet stated its position with regard to the additional agreement which would apply to employers and workers not covered by a sectoral or company agreement (as provided for in the intersectoral agreement of 7 November 1986 referred to above).

Agreement No 42 on introducing new working practices in firms¹, concluded by the National Labour Council on 2 June 1987, became mandatory under the Royal Decree of 18 June 1987. It was the passing of the law of 17 March 1987 allowing exemptions from the legal provisions governing the organization of work which enabled this collective agreement to be concluded.

It should further be noted that the law of 17 March 1987 and Agreement No 42 still prohibit exemptions from the legal provisions banning night work for women. A revision of the law is currently under study by the National Labour Council in response to an appeal to the two sides of industry by the Council of Ministers of the European Communities. The problem is difficult to resolve, since Belgium is still bound by International Labour Organization Convention No 89.

98. With respect to the public service sector, on 4 November 1987 the Government concluded a collective agreement with the representatives of the public service sector trade unions, excluding the Fédération Générale du Travail de la Belgique. The agreement contains a number of measures improving public employees' financial situation (monthly remuneration, annual holidays, end-of-year bonus) and also qualitative provisions (paid training leave, adaptation of certain statutory provisions).

¹Social Report 1986, point 104.

The few conflicts which occurred in private industry involved sectors (like the Limburg mining industry) or firms in process of restructuring. The conflict in the air transport sector was concerned with recognition of the National Confederation of Executives, of which almost all pilots are members, as a representative organization.

The works elections in April (for workers' representatives on works councils and health and safety committees) resulted in the FGTB losing ground slightly to the CSC. As regards the specific representation of executives on works councils, the results of these elections show that the majority of seats went to executives' organizations which are not affiliated to the three trade unions represented on official consultation bodies.

In another development affecting executives, the National Confederation of Executives did not obtain the seats on the National Labour Council which it has been claiming for some years, but by a royal decree of 16 July the Government set up a consultation committee for executive staff, which was attached to the Ministry of Labour.

The National Labour Council has done a great deal of work : unanimous opinions were sent to the Government concerning apprenticeship contracts, temporary work, paid education leave, sexual equality and social security.

More generally, it is impossible to foresee in what way the political crisis which developed after the parliamentary elections on 13 December 1987 will affect social policy trends, social concertation, collective bargaining and industrial relations.

Denmark

99. The negotiations on the collective agreements were concluded in the first quarter of 1987.

In the middle of January a result was obtained in the metal industry, one of the most important areas in the private sector. The result influenced the content of agreements in other parts of the private labour market, where a peaceful compromise was obtained in most sectors.

On account of the lack of results in certain fields, the Official Conciliator worked out a compromise proposal for the entire sector covered by the employers association (DA) and the trade union confederation (LO) (including the areas where the partners had reached an agreement). The content of this compromise proposal, which reflects the main contents of the new agreements, were :

- a) The duration of the agreements would be four years, i.e. the agreements expire on 1 March 1991. After the second year negotiation on wages (with the right to engage in industrial action) is a possibility.
- b) Working time would be reduced over the next four years by two hours (from 39 to 37). At 1 September 1987, the working time stood at 38 1/2 per week. It would be reduced by half an hour per annum until reaching 37 hours on 1 September 1990. The reduction could also be effected at the rate of one hour per year. There would be full wage compensation.

- c) The minimum hourly wage rate would be raised from DKR 48.70 to DKR 55.00 on 1 March 1987 and to DKR 58.00 on 1 March 1988.
- d) The "guaranteed wage" would be raised by DKR 3.00 per hour on 1 March 1987 and by the same amount on 1 March 1988. The same increase would take place in the "normal-wage" rates for adult workers.
- e) The employers' contribution to the LO/DA-educational fund would rise from 10 øre to 12 øre per hour from 1988. The contributions to the ATP (supplementary pension) would rise by 50 per cent compared with the present level on 1 January 1988 and on 1 January 1990.

The compromise proposal was adopted by the partners.

In the public sector agreement on the general questions was reached in January.

100. The general agreement in the public sector contains the following main elements :

- a) With respect to working time, wage indexation and local allowance rates the duration of the agreement is four years. With respect to other elements the duration is (as before) two years. Wage and specific subjects will be negotiated again in 1989.
- b) As a compensation for the small wage increases in the public sector compared with the private sector up to 1985, public employees are granted an extra wage increase of 1 per cent with effect from 1 April 1987.
- c) A "wage adjustment" clause will secure that public employees receive 80 per cent of the wage increase in the private sector apart from the general negotiated increases, i.e. 80 per cent of the wage drift in the private sector. Hitherto the amount was 2/3. A better system of wage regulation in relation to the private sector had been a major claim of the organizations of public employees.

- d) In the first year of the collective agreements wage increases will amount to 3.7 %, in the second year 4.35 %. Part of the increase is earmarked for specific purposes.
- e) Working time will be reduced from 39 to 38 hours on 1 September 1988 and to 37 hours on 1 September 1990.

101. The agreement on shiftwork between the LO and DA has been renewed. On the second and third shift the working time was reduced by half an hour from 1 September 1987 and again from 1 September 1990, so that weekly working time will be 35 hours from 1 September 1990. On the first shift, the reduction is the same as in the other agreements. The duration of the agreement is four years. Negotiation will be possible after two years. The shiftwork supplement was increased by about 8 % from 1 September 1987. Both the LO and DA seem satisfied with the agreement.

On 8 December 1987, a tripartite agreement was concluded between the Government and the two sides of industry, the chief aim of which is to increase the competitiveness of the economy by appropriate measures. This agreement does not jeopardize current collective agreements, price stability, or the level of real income, and should stimulate employment growth from 50 000 to 70 000 units in the next three or four years.

102. In the Federal Republic of Germany, labour conflicts were rare, and contacts between the two sides of industry were numerous and positive. Evidence of this is provided by the top-level meetings between trade unions and employers' organizations, and their joint declaration on the occasion of "Foreigners Week". In this spirit the two sides of industry agreed to set up a joint working party to identify ways and means to combat unemployment effectively.

As regards the relations of the two sides of industry with the Government, efforts to relaunch concerted action, broken off since 1978, have not come to an immediate conclusion, but will nevertheless be continued.

A collective bargaining agreement was concluded in the metalworking industry. It involves a three-stage plan valid until the end of 1990. From 1 April 1987 wages will be increased by 3.7 %, in 1988 by 2 % and from 1 April 1989 by 2.5 %. From 1 April 1988 this will be accompanied by shorter working hours (1 hour less) and, from 1 April 1989, a further half hour cut will be made. In 1989, working hours will be reduced to 37 hours per week.

The collective agreement for the metalworking industry set a trend for the whole of industry. In 1987 the general trend as far as wages were concerned reflected a rise of some 3.7 %.

A completely new kind of collective agreement was negotiated in the chemical industry. On 18 July 1987, employers and employees concluded a new 3-year collective agreement which, for the first time, in addition to phased increases in pay and a shortening of working hours, provides for equal pay for blue-collar workers and white-collar workers on a scale made of thirteen steps. This agreement provides for a pay rise of some 3.8 % - with effect from the summer of 1987 - for the 690 000 employees in the chemical industry. Further improvements (2.5 / 2.0 %) are planned for the summer of 1988 and 1989.

A supplementary pay agreement entering into force in summer 1988 will place blue-collar and white-collar workers on an equal footing in financial terms.

103. In Greece, industrial relations continued to be marked by the stabilization policy adopted by the Government in 1985 to remedy serious macroeconomic imbalances.

The number of collective agreements concluded at all levels during the year was therefore low. This development was accompanied by a weakening of tripartite relations with the exception of the building industry, where the trade unions and the public authorities negotiated a number of measures concerned with health and safety at work.

In view of the proliferation in the last four months of the year of industrial action and strikes, culminating in the general strike of 15 December 1987, the Prime Minister decided in October 1987 to alter the wage index-linking system in the first four months of 1988. Thus, on 31 December 1987 the legislative act of 18 October 1985 and Law 1584/86 which ratified it ceased to have effect. By prohibiting any wage increases beyond index-linked increases, the act had prevented free negotiations between the two sides of industry. These changes resulted in an estimated 8.5 % increase in wages on 1 January 1988.

104. By decision of 22 October 1987 the Government Economic Council abolished Article 4 of Law 1356/83 governing the right to strike in the public sector, particularly in public enterprises : abolition of Article 4 (which required a 51 % majority of registered trade union members in a strike ballot) was adopted by the Government in exchange for strict application of Law 1264/82 concerning the minimum security staff in the event of a strike in public utility enterprises.

The Minister of Labour announced that consideration was being given to the adoption of several measures, including in particular : a change in the compulsory arbitration system; ratification of ILO Convention No 135; broadening of Law 1568/85 on health and safety of workers in firms with less than 150 workers; ratification of ILO Convention No 199; change in the Civil Code to enable civil courts to rule on union disputes and the appointment of union management; creation of a labour institute; legislation covering company-level collective agreements.

105. In Spain, where the economic and social agreement expired at the end of 1986, the Government began exploratory discussions on a new social pact, laying down guidelines for collective bargaining and making it possible for the two sides of industry to participate in government economic and social policy-making. These discussions failed to produce results because of the divergent approaches of the parties involved with the result that the prospect of a tripartite agreement in the short term had to be put aside and there is little likelihood of an intersectoral agreement providing a framework for collective bargaining in 1988. Nevertheless, the Government pursued its contacts with the two sides of industry with a view to setting up a high-level consultative body on labour policy, social protection and economic planning, in other words an economic and social council.

In this context, relations between the Government and trade unions continued to deteriorate.

The above development adversely affected and delayed the start of negotiations on a large number of collective agreements, most of which, however, were finally concluded. They include a national agreement covering the steel industry which had hitherto been the subject of mere provincial agreements. There was moreover a growing tendency towards agreements lasting more than one year and also a considerable increase in industrial disputes linked with negotiations, both in the production and services sectors, especially public transport.

An overview of collective bargaining in 1987 shows that wages rose by 6.71 % on average for all public and private sectors.

As regards working time, the reductions obtained by collective bargaining were considerable. In the area of flexible working hours there was an important collective agreement for private sector banks aiming to make opening hours more flexible with the trade unions agreeing for the first time that banks be open to the public in the afternoon.

106. In France, a great deal of collective bargaining took place during the year.

At multisectoral level, the two sides of industry issued a joint declaration on 10 June 1987 on the position and role of executive staff in firms. On 3 June 1987, an agreement protocol was signed to restart negotiations on training which requested the individual sectors to conclude agreements among other things on training linked with major projects for introducing new technology, training in small and medium-sized businesses and training in relation to the arranging of working time. Lastly, under the agreement of 30 December 1987, the unemployment insurance agreement (UNEDIC) was slightly amended (mainly entailing an increase in contributions) and extended to 1988 and 1989.

At industry level, as was recommended in the multisectoral agreement of October 1986¹, several agreements on employment were concluded to take account of the law which ended the requirement for prior administrative authorization for dismissal on economic grounds²: the sectors involved were the metalworking and chemical industries and public works. Other sectoral agreements dealt with the organization of working time (the safety industry, meat processing and wholesaling, large-scale food wholesaling and retailing), vocational training (employees in the liberal professions, milk processing) and profit-sharing under the Order of 20 October 1986 which allows a certain amount of flexibility at a time when the room for manoeuvre available to firms as regards wages is somewhat restricted.

107. There has also been a distinct move towards bargaining at firm level and the number of company agreements is constantly on the increase. Although pay is the main area covered by such agreements (at the same time sectoral pay bargaining is less frequent), the number of agreements on the arranging of working time decreased because of the wait-and-see attitude which preceded the promulgation of the law of 19 June 1987 and agreements merely reducing working hours are becoming rare. At the same

¹ Social Report 1986, point 109.

² Social Report 1986, point 143.

time, one can detect a growing influence of the works councils in these negotiations, in which they are increasingly involved, becoming full participants in some cases.

The social climate was dominated by problems in inter-union relations and a continuing high level of unemployment, which explains the fall in the number of strikes and in participation in disputes. However, there were disputes involving the public services sector and air traffic controllers, while others saw intervention by the courts which, for example, pronounced unlawful the strike warning in the air transport sector and declared null and void the dismissal of a number of employees at a large paper mill for taking part in a strike.

108. In Ireland, the major event of the year was the conclusion on 9 October 1987 of a central tripartite agreement between the Government and the two sides of industry, on a national economic recovery programme covering tax reform, public finances, reduction of social inequality, employment and labour law.

It was agreed that wage increases would not exceed an average of 2.5 % in 1988, 1989 and 1990, that particular attention should be given to low pay and that national discussions on working time would be held in 1988 with the aim of achieving a one-hour reduction in the working week by 1990 for those working 40 hours or more. As regards labour law, it was planned to discuss the legislation on unfair dismissal, equal treatment, job security and part-time work; to promulgate an outline regulation of safety, health and welfare at work; to prepare legislation to facilitate worker participation in state enterprises and

to complete discussions with the two sides of industry on the reform of industrial relations as soon as possible.

In the public sector (public service, local authorities, health services and education sector) collective agreements provide for a 2.5 % wage increase per year, conciliation and arbitration procedures in the event of disputes, a 6-month wage freeze, introduction of an industrial peace clause and negotiations on a reduction in working time.

109. In Italy, the period under review was marked by the renewal of collective agreements in all sectors and industries of both the private and public sectors.

Negotiations were concluded with relative ease and there were few, if any, disputes.

The first part of the agreement, which traditionally covers the qualitative aspects of industrial relations in the form of joint declarations of intent, reveals a fundamental shift on both sides towards closer cooperation in achieving common objectives.

This change is reflected in the setting up of ad hoc bodies to enable the two sides to monitor and contain technological and social change.

An analysis of the agreements reached reveals a wide range of varied and innovative solutions, many of which break new grounds in the context of industrial relations in Italy :

- a databank on new technologies, employment and investment (mechanical engineering and metalworking industries);
- information, consultation and conciliation procedures (in trade and in the public and private sector chemical industries);
- joint committees on technological innovation, employment and protection of the environment (private sector chemical industry);

- a body to monitor economic trends; information procedures on employment, new technologies and work organization (textiles);
- information procedures on internal and external mobility (banks);
- a joint study of economic and employment trends (food, shoe, tobacco industries);
- monitoring of structural developments, employment, labour costs, training needs in relation to technological development (construction).

The collective agreements have also confirmed the need to establish a system of employee classification at sectoral levels to serve as a frame of reference for negotiations at company level, and to take account of changes in work organization systems. In the chemical sector the negotiators adopted a new classification system; in most other industries, joint committees have been set up to look into the matter.

As regards pay, most agreements confirm the trend towards rewarding higher levels of qualifications on specific skills. The most striking example related to highly qualified workers in the textile industry, where a wider range of skill differentials is now in evidence.

Industry level agreements have laid down the annual rate of reduction in working time; they have also given a mandate for company level negotiations to draw up the implementing provisions for these reductions, which are normally combined with a range of measures introducing flexible working time.

110. In the public service sector, talks have focused on the introduction of a number of basic criteria designed to standardize the regulations governing working conditions in this sector. This has led the negotiators to make an initial attempt at introducing the concept of productivity, so as to stimulate the motivation of public servants on the basis of three principles : qualifications, individual merit and responsibility. Working time has furthermore been reduced to 36 hours per week, spread over five or six days in such a way as to ensure that offices remain open until 6 p.m.

The last quarter of 1987 saw a massive wave of strikes in the public transport sector, especially in the rail and air transport sectors, called by local committees, with the result that the Prime Minister proposed to settle the disputes through legislation on the right to strike. This proposal was unwelcome to the political parties on the left and the major trade union federations, but the question is nevertheless in the air. The collective agreements laid down for the railways and airlines continue to be hotly disputed by the workers.

111. In Luxembourg about 50 % of the provisions which together make up the structure of collective agreements were renegotiated in 1987. With few exceptions, these agreements were concluded for a two-year period. There is a general trend towards bonus payments for reliability and regularity, as well as a number of once-off bonuses paid on certain dates; a number of renewed agreements provide for the introduction of a thirteenth-month payment, the reorganization and upgrading of holiday pay, and the introduction of additional leave days. Neither the reorganization of working time nor vocational training, however, was covered by any particular agreement at this level.

A major development at sectoral level was the renewal of the collective agreement for bank employees for 1987 and 1988, which provided for an upgrading of monthly salaries. According to category of employees and seniority, it also included a general increase in the household allowance and an additional day off.

On 11 March 1987, the tripartite conference for the iron and steel industry approved an alternative to short-time working, based essentially on the absorption of excess labour (estimated at 700 units by the end of 1987, and 1 900 units by the end of 1988) through a variety of social measures.

Discussions on flexible working time within the tripartite coordination committee failed to come up with an agreement on working time and Sunday working. The Government has tabled a bill to amend the law on weekly rest periods and Sunday working for blue-collar and white-collar workers.

112. In the Netherlands, 1987 ended without a national agreement, in spite of the Government's efforts.

The trade unions accused the public authorities and employers of not doing enough to combat unemployment in general and long-term unemployment in particular; their demands focus upon a reduction of working time and the redistribution of available work. The employers have refused to go along with this. The Government, for its part, felt that sharp wage increases might lead to a further rise in unemployment.

As a result, a number of trade unions abandoned their demands for a reduction in working time and asked for wage increases instead; the number of collective agreements dealing with the problem of working time was negligible, while at the same time, wage increases remained below the levels of previous years.

In spite of their initial reservations, the trade unions eventually proved willing to make concessions on flexible working.

113. In the public services sector, concertation between the Government and the unions has been a slow and difficult process. Given the public deficit, the Government had little to offer the unions, with the result that there was no question of any real form of concertation.

Negotiations began in the autumn to renew collective agreements due to expire in 1988 and covering over 800 000 workers. The trade unions believe that, if jobs are not created through a reduction in working time, training and a lowering of the retirement age, it will be necessary to increase wages by some 3.5 %. Trade union demands were not welcomed by the employers' organizations and the Government believes that wage increases should be restrained and reserves the right to intervene if wages show signs of rising too sharply.

In this context, negotiations in the metalworking industry led to a 1 % increase in wages and a further lowering of the early retirement age. Other agreements were also concluded : modest wage increases were agreed, training programmes were set up, but no reduction in working time at a later date was agreed.

114. In Portugal, the persistently favourable economic situation has not failed to influence industrial relations, more especially since the trend in the main macroeconomic variables has been reflected in a gradual but steady improvement in the purchasing power of Portuguese workers.

Collective bargaining has developed in the processing industries, commerce and services.

This development has been accompanied by fewer strikes and disputes than last year. It should be noted that recourse to strike action tends to be greater in large concerns employing more than a thousand people, the transport and communications sector and the Lisbon and Setubal areas.

Wages have risen by an average of 12 % and workers' purchasing power by 3 to 4 %.

The central Government seems to have taken no part in collective bargaining except as regards the approval of collective agreements relating to public undertakings and conciliation procedures to resolve disputes, the number of which has considerably declined in the course of the year.

Furthermore, the improvement in the economic situation in general and in that of undertakings in particular could not fail to help reverse the phenomenon of delays in the payment of wages which has been a direct consequence of the recession experienced by the Portuguese economy in the recent past. Thanks to the favourable economic climate, a fall can be expected in the number of firms showing delays in the payment of wages

as well as in that of the workers affected. However, the situation is not expected to change rapidly : if anything the improvement will be slow and will depend on the financial adaptability of the firms concerned.

115. With regard to industrial relations, it should be noted that, on 16 February 1987, the Standing Social Consultation Council decided to fix at 7 % and 6 % respectively the inflation rates to be taken into account during the wage negotiations the effects of which will be felt from the third and fourth quarters of 1987. This agreement, which is designed to ensure a balanced development of incomes, has proved very effective in its application.

The formation, after the legislative elections on 19 July, of a centre-right Government with a comfortable parliamentary majority is bound to have a significant impact on industrial relations. The main change due to these electoral results is the inclusion of the Inter-syndicale on the present Standing Social Consultation Council. At the end of the year the Government put before the Standing Social Consultation Council a document setting out proposed inflation rates for 1988. If these rates, which overall amount to 17 %, are not exceeded, wage negotiations in 1988 could ensure that the per capita increase in the wage bill will not be higher than the planned rate of inflation plus a percentage negotiated on the basis of the expected productivity increase.

Lastly, it has been proposed that, as part of the forthcoming review of the Constitution, an economic and social council be set up as an amalgamation of the present Standing Social Consultation Council and the National Planning Council.

116. In the United Kingdom, the re-election of a Conservative Government in June, with a large parliamentary majority, had a significant impact in the public sector.

The two main teachers' unions and the civil service unions have abandoned their action. Different factors were involved but the impact of the election result was decisive. The size of the Conservative majority persuaded the unions that public opinion would be against them.

Despite these developments, the climate of industrial relations in general has not changed dramatically.

In the collective bargaining field the draft agreement on flexible working and shorter hours agreed by the Engineering Employers' Federation and the Confederation of Shipbuilding and Engineering Unions was finally rejected. This outcome probably means that there will be no general movement in the next two or three years given the cut in hours in private industry and that this question linked to greater flexibility will be negotiated at company level.

Since the election, the Government has announced a wide-ranging programme of reforms affecting both the housing market and the education system with the aim of improving mobility on the labour market and the preparation of young people for working life.

The Government has expressed its intention of downgrading the tripartite National Economic Development Council (NEDC). This was generally seen as signalling the end of the "corporatist" approach, as was the announcement that the make-up of the Manpower Services Commission (MSC) would be altered to reduce the representation of the trade unions.

In the public sector, the Government has suspended collective bargaining for teachers and imposed a pay deal and a new contract.

Worker representation

117. In Spain, Law No 9 of 1987 - which supplements the provision of the 1985 Basic Law on freedom of trade union representation with regard to the collective representation of civil servants - governs the bodies responsible for representing civil servants and negotiating their working conditions. The main prerogatives and responsibilities of these bodies relate to information on personnel policy, consultation on certain decisions concerning staff, and the monitoring of compliance with legislation concerning working conditions and conditions of employment.

Pursuant to this law, trade union elections were held on 20-31 December 1987 with a participation rate of 70 % which was considered quite high : they determined the composition of the bodies safeguarding civil servants' professional interests and appointed sectoral representatives of the trade unions to these bodies.

118. In the Netherlands several studies were made of worker participation bodies, coming to the following conclusions :

- membership of a works council can slow the careers of the workers involved, and worker participation is badly organized in the health care sector; therefore it is suggested that the rules governing the legal position of works council members be improved and wider facilities granted these workers, i.e. facilities going beyond the limitative framework of the meetings alone; it is also suggested that career structures should be the subject of clear and specific agreements;
- the Works Councils Committee of the Dutch Economic and Social Committee has published recommendations regarding the legal status of members of these bodies : its proposals include a recommendation that unions and employers' organizations should reach agreements at company level on problems relating to Works Council members' careers;

- 40 % of the workers questioned confirmed that the consultation meetings which small firms (10 to 35 workers) are required to hold since 1982 twice a year had indeed taken place;
- application of the law on Works Councils creates problems with regard to obtaining information and the Councils are not involved in decision-making until late in the day.

Chapter VWORKING CONDITIONS AND LABOUR LAWTrends in the CommunityWorking conditions

119. The trend towards a reduction in collectively agreed working time continued in a number of countries. The 38-hour week is more or less the norm in Belgium, while in Denmark weekly working time should be reduced from 39 to 37 hours in four years in the private sector and by 1990 in the public sector. According to a sample survey carried out in the Netherlands, 78 % of undertakings operate a 38-hour week, 35 % a 37-hour week and 7 % a 36-hour week given that the same firm may operate two different systems.

Such a reduction is often accompanied by a certain degree of flexibility in the reorganisation of working time, as is the case under the agreement reached in the metalworking sector in the Federal Republic of Germany, or the proposal under discussion in the same sector in the United Kingdom, or the agreement concluded in the footwear industry in Italy.

The question of the reorganization of working time was covered in a multi-sector agreement in Belgium, while in France the laws applicable in this area underwent a thorough revision. Major changes are being prepared in Greece and Ireland.

In a number of Member States, particularly Belgium, Greece, Spain, the Netherlands and the United Kingdom, part-time and temporary work is on the increase.

Finally, it should be noted that although early retirement schemes continue to receive support in laws as in Luxembourg, or collective agreements as in the Federal Republic of Germany, serious doubts are emerging about their becoming universal.

Labour Law

120. The desire to make labour law more flexible noted in 1986 in all Member States was shown even more clearly in 1987 in a number of ways : relaxation of rules on individual and collective redundancies, proliferation of all types of temporary contract, readier recourse to part-time work, shift from employee to what is called self-employed worker status.

In a number of countries, wildcat strikes, which occurred in the public transport sector in particular, raised the question of whether the right to strike should be regulated. However, these unpopular regulations were not adopted.

In 1987, a number of governments made popular capitalism a major part of their programme of social reforms. The sudden crisis on the stock market is likely to have political and social consequences which are still difficult to assess.

An important element of agreement between the various national laws lies in the fact that even in states which are traditionally legalistic, we are seeing a very substantial development of collective bargaining which is tending to replace the law rather than simply complementing it as before. It is also worth noting that there is a general shift in the collective bargaining process from sectoral level to the level of the undertaking itself.

Most Member States announced the abolition of certain laws protecting women¹ which in reality had a negative effect on employment in respect of which the concern for protection which originally inspired them was no longer valid. These measures were taken pursuant to Council Directive 76/207/EEC² on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions.

¹Other than those relating to pregnancy or maternity

²OJ No L 39, 14.2.1976, p. 40.

Development of the situation in the Member StatesWorking conditions

121. In Belgium, the following should be mentioned in particular :

- 1) Generalization of the 38-hour week as a result of the sectoral agreements concluded on the basis of the multi-industry agreement of 7 November 1986¹. In certain sectors (clothing, textiles, knitwear) agreements confirm a 37 1/2 hour working week as a general rule.
- 2) Greater flexibility in the organization of working time as a result of Collective Agreement No 42, concluded in the framework of the National Labour Council and the Law of 17 March 1987². It should be noted that in the distribution sector, to which these two instruments do not apply, agreement was reached on a ban on Sunday working except in food shops with fewer than five employees and in tourist areas.
- 3) New regulations on temporary work, introduced by the Law of 24 July 1987³. It should be mentioned in this connection that the number of temporary workers has increased by a third in two years.
- 4) The development of part-time working : 12.5 % of employees work on a part time basis, and of this figure 88 % are women.
- 5) The success of the new career breaks scheme introduced by the Law of 22 July 1985⁴ (from which 17 000 people have benefited).
- 6) Constant increase in the number of people taking early retirement. The government is planning to raise the minimum early retirement age to 58 except where a collective agreement in force provides for a lower age. In this context, mention should also be made of the government proposals concerning the normal retirement age⁵.
- 7) The conclusions reached in a number of studies on the application of Collective Agreement No 39 of 13 December 1983 on the introduction of new technologies in undertakings, from which it is clear that, in general, consultation with workers related mainly to the consequences of the introduction of new technologies rather than the system itself.

¹ Cf. Social Report 86, point 126.

² Cf. n° 136 (Belgium - Labour Law).

³ Idem.

⁴ Cf. Social Report 85, point 127.

⁵ Cf. n° 171 (Belgium - Living conditions).

8) Finally, the referral to the National Labour Council for its opinion of the question of relaxing the laws banning night work for women in response to the guidelines drawn up by the Commission of the European Communities.

122. In Denmark, a private sector multi-industry agreement provides for reduction in the agreed working week from 39 to 37 hours over the next four years with an offsetting adjustment of 90 øre for each half hour less. In the public sector, the working week will be reduced from 39 to 38 hours on 1 September 1988 and to 37 hours on 1 September 1990.

The existing agreement on shiftwork was renewed with certain amendments concerning the gradual reduction of working time (35 hour week from 1 September 1990) and an increase in the shift work bonus (+ 8 %).

Mention should also be made of the Parliament Resolutions of June 1987 on the ban on the dismissal of pregnant women and persons on parental leave¹ and the changes in insurance against accidents at work introduced by the Law of 1 April 1987¹.

Whereas no agreement was reached in 1987 between the employers and the unions on working environment programmes, a detailed report on links between cardiovascular disease and the working environment was published by the Working Environment Fund.

Certain improvements in the rules on maternity leave (three months' extension in the event of the hospitalization of the child and the entitlement of the father to the entire period of leave in the event of the sickness or death of the mother after the birth) entered into force on 1 January 1987.

Only 2 500 persons, more than half of whom are self-employed, have made use of the partial retirement scheme introduced on 1 January 1987. This is due to the lack of opportunities for part-time working and competition from the early retirement scheme from which 106 000 persons had benefited by the end of 1986.

¹ Cf. point 137 (DK - Labour Law).

123. In the Federal Republic of Germany, particular mention should be made of the collective agreement concluded in the engineering sector (3.9 million employees) because of its knock-on effect on other sectors. As from 1 April 1988 the length of the working week in the engineering sector will be reduced to 37.5 hours and to 37 hours as from 1 April 1989. Furthermore, the period during which firms must compensate for overtime worked has been changed from two to six months, thus giving firms greater flexibility.

A collective agreement on part-time work has been concluded in the chemicals and paper sector. To qualify for the same social protection as full-time workers, part-time workers must work no fewer than four hours a day.

An assessment by the Ministry of Labour of the 44 000 collective agreements in force as at 31 December 1986, 14 000 of which are company agreements, reached the following conclusions :

(a) normal duration of working week

At the end of 1986, this was, on average, 39.39 hours. At that time, 7 million workers had benefited from a reduction of working time below 40 hours and 1.7 million other workers were to profit in the same way as from 1987 or 1988.

(b) early retirement

412 collective agreements on early retirement have come into force, covering 7.3 million workers in the private and public sectors (42 %).

(c) paid leave

99 % of the workers covered by collective agreements are entitled to paid leave of not less than four weeks. The number of workers entitled to five weeks or more has doubled. Some 65 % are entitled to six weeks. The average duration of paid leave is 29 days. 30 % of workers receive additional leave of one to three days for arduous or dangerous work.

124. In Greece, on the basis of the decisions taken by the National Development and Planning Council¹, the Ministry of Labour drew up a draft law of a very wide scope since it covers part-time work, temporary work, job sharing, flexitime, a ban on holding several jobs at the same time and on overtime, early retirement, and engaging in gainful employment while drawing a pension. The provisions of this draft law which have been revealed by the press have occasioned hostile reactions on the part of the trade unions, so that sending of the draft law to Parliament has been deferred.

Another draft law aims at raising the minimum age at which children may take up employment from 14 to 15 and to 18 for arduous and dangerous work. The number of young people between the ages of 12 and 18 who are in employment is estimated at 120 000. Only 55 000 of them are officially registered.

Finally, the negotiations on shop opening hours have still not come to any conclusion.

125. In Spain, the increase in absolute terms of temporary contracts and other special types of employment contract (part-time work, work experience contract, training contract, etc.); which now account for some 50 % of all placements, has picked up speed as a result of the general improvement of the labour market.

The reduction in working hours under collective agreements was substantial, namely an average annual reduction of 40 hours in comparison with 1986.

As regards the adjustment of working time, an agreement was concluded between major distributors and small retailers in which supermarkets undertook not to open on Sundays and public holidays and to limit their weekly opening hours to 60. In the banking sector a collective agreement makes it possible to open to the public in the afternoon. This agreement, which concerns 20 % of banks, still has to be ratified by the staff.

¹ cf Social Report 86, point 129.

126. In France, it is the law of 19 June 1987 on the adjustment of working time which is the focus of attention. It makes substantial adjustments in respect of the following :

- working hours may be adjusted on the basis of an average of 39 hours per week, through extended branch agreement or company agreement;
- the scope for recourse to the making up of working time collectively lost has been extended;
- overtime may be calculated on a cycle of several weeks;
- payment for overtime worked may be replaced by compensatory time off under company or extended branch agreements;
- under an extended branch agreement, supplemented by a company agreement, there may be a derogation from the ban on night work of women;
- provisions specific to women regarding breaks, relay working and public holidays have been eliminated;
- continuous shift working may be extended by extended branch or company agreements;
- intermittent employment contracts may be implemented by extended branch or company agreements.

A circular of 30 June 1987 from the Minister of Social Affairs and Labour (which did not appear in the Official Gazette) comments on Law No 87-423 of 19 June 1987 (Official Gazette of 20 June) where it relates to the duration and adjustment of working time. The circular describes the various formulae for adjustment of the legal duration of working time to which undertakings may have recourse.

127. Mention should also be made of the cancellation of the collective agreement provisions regarding the profit-sharing, participation and share holding of employees¹, automatic retirement and retirement allowances² and the decree of 17 July 1987.

- the interministerial circular of 8.10.1987 strengthening measures to combat clandestine work provided for in the Law of 27.1.1987;

- the circular of 3.11.1987 laying down the implementing rules for the Law of 30.12.1985 on leave for purposes of economic, social and trade union training.

¹ Cf n° 141 - 144 (France - Labour Law).
² Cf n° 143.

The lengthy strike by the SNCF at the beginning of the year revealed problems relating to working conditions on which the SNCF management has promised to negotiate.

Finally, a joint declaration was issued by the Confédération Nationale du Patronat (national federation of employers) and the Confédération Générale des Cadres (general federation of executives) on the role and place of management.

128. In Ireland, an agreement was reached between the Government and the two sides of industry on a plan for growth and economic recovery. The plan provides for the discussion in 1988 of :

- a general framework for negotiations on working time;
- a working paper on revision of the law relating to unjustified dismissal, equality before the law, equal pay, job security and part-time working;
- on outline law on health and safety at work;
- legislation on worker participation in sub-boards of State undertakings.

129. In Italy, the collective agreements concluded in the period covered by this report include clauses relating to terms of employment.

As regards the classification of employees, the agreements confirmed the need to establish at sectoral level a classification structure likely to provide a stable point of reference for company negotiations and take note of the changes in the organization of work. Furthermore, the agreements aimed at rewarding individual performance by introducing new levels and criteria of remuneration, something which had previously run up against trade union opposition.

The collective agreements also laid down an annual amount of reduction in working hours : the establishment of arrangements for implementing this reduction was referred to negotiation at company level. However, the prevailing trend is towards flexitime. Mention might be made, among others, of the agreement covering the shoe industry, which provides for a reduction in working hours, but allows Saturday working.

The reductions in working time on an annual basis are : 56 hours in the textile sector; 20 hours in the State-owned undertaking in the chemicals sector, and 16 hours in the privately-owned undertakings in the engineering and metalworking sector.

Since textile workers are the most vulnerable as far as their contracts are concerned, the collective agreements for the textile sector provide for study and research operations aimed at setting up positive actions on behalf of women workers. The agreement covering the State-owned undertakings in the chemicals sector provide for information on the development of women's employment in the Mezzogiorno. The agreement covering the privately-owned undertakings in the engineering and metalworking sector set up a joint equal opportunities committee instructed to put forward proposals which will be taken into account when the time comes to negotiate the next collective agreement.

The agreements also took account of the question of the presence of drug addicts at the workplace. By the same token, all agreements took into account the question of protecting the internal and external environment at the workplace. In particular, the agreement covering the banking sector set up national health watchdog bodies and established protection standards relating to the introduction of new technologies (regular breaks for those assigned to on-screen work).

130. We shall not go over again the content of the Luxembourg Law of 28 March 1987 on early retirement described above¹. However, it is interesting to note the comments of the Chamber of Commerce and the Council of State to the effect that neither demographic trends (reduction in the number of young people likely to enter the labour market) nor economic sense (exclusion from the labour market of a substantial potential of superior knowledge and experience) justify the law. Furthermore, they said, the law was likely to cause uncontrollable disturbances on the labour market because of the temptation of illicit employment for 57-year olds still capable of work.

¹ cf n° 147

(Luxembourg - labour law)

131. In the Netherlands, a survey of reductions in working time in a sample of 813 firms produced the following findings : in 78 % of the firms a 38-hour week is worked, in 35 % 37 hours and in 7 % 36 hours. given that the same firm may operate two different systems. It also emerged that production costs had risen in 49 % of firms; this is particularly true in the construction industry (72 %). In 36 % of firms the reduction in working time was reflected in an increase in the workforce. In 24 % of firms total operating time was reduced because of the reduction in working time, whereas operating time was increased in only 4 % of firms. 31 % of firms make use of overtime, while 30 % tend to have recourse to temporary work.

In over half the firms (55 %), reduced working time had rendered work planning more difficult. Many firms (40 %) complained of increased pressure on managerial staff.

The annual FNV report, works council section, also showed that works councils were faced with certain problems due to the reduction in working time. 110 problem cases were submitted to the section. Pressure for a reversal in the reduction of working time has come mainly from small and medium-sized firms.

In 1986/87 the number of part-time workers rose by 90 000 bringing their percentage of the working population to 24.4 %. Part-time work is popular with women and persons with low skills.

132. The Ministry of Social Affairs and Employment has commissioned the Instituut voor Sociaal Wetenschappelijk onderzoek - IVA (Social Research Institute) to carry out a survey on the consequences of new forms of employment. The survey concerned four forms of employment : condensed working week (working days of over 8 hours) shift work with extended hours, flexible and variable working hours. The survey showed that the condensed working week and shift work with extended hours increase the likelihood of stress and therefore of accidents.

Following the report drawn up by the Ministry of Social Affairs and Employment working party on flexible working time, the Labour Foundation has expressed the hope that the rules on flexible working time will be laid down not by the public authorities but by the two sides of industry.

The Foundation also wants clarification of the legal status of occasional employment contracts, an easing of the burden of proof regarding the existence of an employment contract (incumbent on the worker) and, in cases where there is no written contract, the assumption that a minimum of hours of work had been carried out. The workers' representatives on the Labour Foundation also wish it to be established that an employer may no longer refuse to pay wages on the grounds of inadequate work unless this is explicitly provided for by collective agreement.

A survey carried out by the Organisatie voor strategisch arbeidsmarktonderzoek - OSA (Strategic analysis of the labour market organization) showed that in October 1986 11 % of employment contracts were temporary or flexible contracts. Three quarters of the persons covered by such contracts stated their preference for more stable forms of employment.

133. In Portugal, we shall confine ourselves to reporting the continuing trend towards greater recourse to fixed duration contracts. The workers concerned accounted for some 17.8 % of the total workforce in 1987 as opposed to 16.7 % in 1986 and 14.4 % in 1985.

134. In the United Kingdom, the trade unions rejected the draft agreement on reductions of working time and flexibility in the metal-working industry. This puts an end to four years of negotiations in the metal-working sector and makes any movement towards a general reduction in the duration of working time unlikely for the next two or three years and implies a transfer of negotiations on flexibility to the level of individual undertakings.

The government submitted a working document on the new flexible working systems to the civil service trade unions. The document, which is very broad in scope and aims at opening a debate, had a mixed reception.

A draft agreement on the reduction of working time in the docks (1 1/2 hours a week) in return for productivity improvements will be the subject of a workers' ballot.

In general there is a tendency towards more intensive working, even if working time is reduced formally or in real terms.

Two other tendencies may be noted as regards changes in working conditions. One is that an increasing number of workers are having their jobs enlarged. Quite often this leads to a form of teamworking, with a work-group becoming responsible for the coordination of a wide range of tasks. This is increasingly calling into question the differences in the conditions of employment for manual and white-collar workers.

135. The second change is that temporary work is becoming more attractive because it offers greater flexibility and because, in London at least, the larger employment agencies are now offering conditions which compare reasonably with those of permanent employees.

It would seem, however, that these improvements are taking place alongside a deterioration in other working conditions, notably health and safety. In its 1985/86 report, the Tripartite Health and Safety Committee noted an increase between 1981 and 1985 in the rate of serious and fatal accidents : 31 % in industry, 34 % in agriculture

and 45 % in the construction industry. This also applies to self-employed workers, although in their case this can only be due to improved reporting in recent years.

Lastly, the "Job Release Scheme" (early retirement scheme) will be abolished from March 1988. The government has also lowered the age as from which unemployment benefit is reduced for recipients of an occupational retirement pension. Henceforth, unemployment benefit will be reduced as from 55 years of age instead of 60 years of age in such cases.

Labour Law

136. In Belgium, the most significant development in labour law in 1987 was the :

(a) organization of flexible working time under collective agreement No 42 of 2 June 1987, made compulsory by the Royal Decree of 18 June and, on the other hand, the Law of 17 March 1987 coming into force on 1 September 1987 on new operating arrangements in firms.

1. Agreement No 42 applies to all employers and workers, excluding the distribution sector. (This exclusion is accounted for by differences of opinion on Sunday opening of shops).

Prior written information on the proposed operating arrangements must be distributed to workers.

Introduction of new operating arrangements must have a positive effect on employment in line with arrangements worked out at sectoral or company level.

Operating arrangements must be the subject of agreements between employers and workers at sectoral or firm level.

A special consultation procedure is proposed for firms where there is trade union representation.

The agreement provides for derogations from the statutory provisions on working time. However, these must conform to the limitations imposed by the Law of 17 March 1987.

2. The Law of 17 March 1987 (Official Gazette of 12 June 1987) allows for derogations from statutory provisions on working time, Sunday work, night work (for men only) and public holidays where an agreement has been concluded in accordance with agreement No 42. The Law also establishes the procedure to be followed when introducing new working methods in firms where there is no trade union representation. This question, which concerns a few small and medium sized firms, could not be resolved by agreement No 42 because of certain legal obstacles.

Sunday working in the distributive sector was authorized by Royal Decree of 3 December 1987 but with very severe restrictions (the derogation is limited to three Sundays a year for volunteer workers only and the social inspectorate and trade union delegation must be informed).

(b) Employment/training agreement

Royal Decree No 495 (Official Gazette of 23 January 1987) introduces a new scheme under Belgian labour law. It is a system linking work and training for young people aged 18-25 years and entailing a temporary reduction in the employers' social security contributions payable in respect of these young workers.

(c) Temporary work and the supply of temporary workers

The Law of 24 July 1987 lays down rules concerning temporary work and the supply of temporary workers.

This matter was covered by the provisional law of 1976 which expired at the end of 1981. Since then, temporary work and the supply of temporary workers have been regulated by collective agreements concluded by the National Labour Council.

The aim of temporary work is to replace a permanent worker, meet an exceptional increase in work or carry out exceptional tasks. Certain points concerning the procedure for the authorization of temporary work have yet to be spelled out in a National Labour Council.

Temporary work can be based either on an employment contract concluded directly between an employer and a worker or on a contract concluded between a temporary employment business and a worker. This second case constitutes a special form of temporary employment contract known as a "contrat de travail intérimaire".

The Law lays down the obligations of the temporary employment business which is regarded as the employer. The wage paid by this business must be the same as that of a permanent worker.

A final chapter in the law lays down regulations concerning the supply of workers to use undertakings.

(d) Extensions of the law on industrial apprenticeship contracts (industrial)

The Law of 19 July 1983 on apprenticeships in occupations practised by wage-earners has been extended twice.

Royal Decree No 482 (Official Gazette of 15 January 1987) raises the maximum age for the conclusion of such a contract from 18 to 21 years.

The Law of 24 July 1987 extends the field of application of the law to white-collar workers. It introduces several changes, especially with a view to simplifying procedure; it specifies that the apprentice's wages must correspond to a percentage of the wages of an ordinary worker, and the older the apprentice, the higher the percentage.

(e) Equal opportunities for men and women

The Royal Decree of 14 July 1987 provides for measures aimed at promoting equal opportunities for men and women in the private sector.

These are positive actions to implement Article 119 (in its broad interpretatory) of the Treaty of Rome.

Positive actions consist of actions based on equal opportunities plans drawn up at sectoral or company level in consultation with the workers' representatives.

137. In June 1987, the Danish Parliament adopted a resolution banning the dismissal of pregnant women and workers on parental leave. An appropriate draft law must be submitted to Parliament before February 1988. In the case of dismissal, the employer would have to pay the worker compensation unless he can show that the dismissal was not made on the grounds of pregnancy. Failing this, the employer could be obliged to re-employ the person wrongfully dismissed.

In May, Parliament adopted a resolution on women's representation on certain boards. The aim is to bring about a more balanced representation of men and women on these boards, the composition of which depends largely on the public authorities.

A draft law ensuring genuine equal treatment for men and women in the same area will be drawn up early in 1988.

On 1 April, the industrial accident insurance regulation was amended. The amount of compensation was raised from 75 % to 80 % of earnings. The compensation must be settled within two years of the accident as opposed to three years previously.

After the abrupt dismissal of 500 workers in two firms in Jutland, a workers union (SID) called for better protection against dismissal, (in particular a longer period of notice). However, no draft law has been introduced on this subject on which no consensus has been reached in Denmark : it is acknowledged that better information on proposed dismissals would be useful, but it is feared that stricter legislation might be counterproductive. When the present law is amended, firms will be able to issue shares to their workers for a maximum of DKR 6 000 instead of the previously authorized DKR 200. After seven years, the shares may be sold by workers without being subject to taxation.

It is also planned to give workers the right to be represented on the board of any firm with over 35 workers (rather than 50 as at present). However this government reform programme has not been fully adopted by Parliament.

138. On 20 September 1987, a law came into force in the Federal Republic of Germany maintaining on a transitional basis the system of joint management for firms in the coal and steel sector in firms which have in the meantime changed production. This law defers the deadline for the termination of "coal and steel" joint management in the firms concerned to 31 December 1988.

Currently 31 firms are still subject to coal and steel joint management. They are large entities employing some 400 000 workers.

The stance adopted by the paper and printing industry union on the question of sit-ins at the workplace has revived discussion on such sit-ins, which are in conflict with the law as it stands. Sit-ins resulting from labour disputes (strike or lock-out) are almost unanimously regarded as unlawful. The engineering industry on the other hand, has discussed the possibility of limiting recourse to strikes or lock-outs in labour disputes. Increasingly the Swiss engineering industry's industrial peace agreement is being seen as a possible model.

139. In Greece, no changes were made in Labour Law in 1987. However, certain proposals are worth noting :

1) The proposal for a law ratifying ILO Convention 135 on worker representation in firms was submitted to Parliament several times but subsequently withdrawn.

The Federation of Greek industries is in favour of giving major responsibilities to works councils (except in small and medium-sized firms) so as to emancipate trade unions from the control of the political parties. The Athens Chamber of Industry and Commerce, however, is opposed to this new institution, taking the view that protection of workers' representatives is already provided for by Law 1264.

2) A draft law providing protection of young people at work in all sectors of activity except agriculture and shipping.

3) A major draft law aimed at providing greater flexibility in the organization of work has aroused such hostility on the part of the trade unions that the Government has abandoned its effort to submit it to Parliament, and has opted to invite trade unions to a dialogue on this question.

4) A draft law aimed at extending to the public service the principle of equal treatment embodied in Directive 76/207. With respect to the application of Community Directives, current regulations in Greece do not always include those provisions which, in the Commission's view, are necessary to ensure proper protection of Greek workers in two major areas :

- in the event of transfer of undertakings¹
- in the event of the insolvency of their employer²

140. In Spain, the most significant laws adopted in 1987 were :

- Law No 7 of 7 January 1987 establishing for the next few years the machinery for compulsory consultation of trade unions: or collective bargaining with these organizations to determine the salaries of civil servants;
- Law No 9 covers the institutions for the representation, consultation and working conditions of civil servants. The law grants these representative institutions the right to information on staff policy, the right to consultation on certain decisions of concern to staff such as training plans, working methods, working time, leave, bonuses and monitoring of the observance of rules concerning terms of employment and working conditions. Law No 9 does not give the above institutions any right as regards collective bargaining or participation in determining working conditions, but assigns these responsibilities to the most representative trade unions.
- A draft law concerning infringements of labour legislation and penalties applicable to heads of firms is at an advanced stage of parliamentary procedure.
- A preliminary draft regulation announced by the Government was ill-received by the unions. It seeks to regulate and limit the right to strike in essential public services.

¹ Directive 77/187/EEC of 14.2.1977 - OJ No L 61 of 5.3.1977, p.26 to 28.
² Directive 80/987/EEC of 20.10.1980 - OJ No L 283 of 28.10.1980.

- Law No 9/1987 on the institutions for the representation of civil servants was implemented with remarkable speed for the government. On the other hand, the Regulation implementing Law No 8/1987 on pension plans and funds, which was due to be approved in the third quarter of the year and is still at the stage of consultations with the interested organizations, has met with greater problems.
- In November, a Regulation was adopted on the administrative processing of applications for European Social Fund (ESF) assistance and on the tasks of the ESF administrative unit attached to the Ministry of Labour and Social Security. This Regulation contains Decree No 1492/1987 of 25 November 1987.
- The parliamentary procedure for the adoption of the Law on infringements and administrative penalties in the social sphere has virtually been completed. This Law does not appear to have taken account of the employers' (CEOE - Employers' Confederation) demand that the administrative penalties in the event of infringements of labour laws should be limited to infringements of State legislation, to the exclusion of the provisions of collective agreements.

. COURT DECISIONS

- a) The Constitutional Court declared that all collective agreements from whose provisions occasional workers were excluded were discriminatory.
- b) The Supreme Court set out the conditions of substance and form which must be met by Government acts imposing minimum services in the event of strikes involving essential public services.
- c) The disputes division of the Central Labour Court declared null and void changes in working conditions adopted by undertakings with the agreement of the workers in question, but without the consent of the collective representatives or, failing this, the authorization of the labour authorities.

141. In France, the Law of 19 June 1987, on the reorganization of working time, is one of the chief measures taken within the context of a policy aimed at greater flexibility and deregulation launched under previous governments.

The number of hours worked per week, or during all or part of the year, can now be varied, provided that average working time per year does not exceed 39 hours a week, and that the arrangements made have been agreed at branch or company level.

The law also introduces a new way of calculating overtime, which can now be based on a "working cycle" decided at company level, rather than on a weekly basis as in the past. Finally - a major departure from former practice - this law authorizes nightshifts for women, when "particularly serious circumstances - in the national interest - so require", and insofar as a collective or company agreement to this effect has been concluded. A number of legal restrictions have moreover been abolished; women may now be employed on public holidays, either in shifts or for ten-hour working periods.

The Law of 30 December 1986, which came into effect on 1 January 1987, has done away with the preliminary administrative authorization hitherto required in the event of dismissals on economic grounds.

142. The decree of 27 February 1987 provides that if an employer makes fewer than 10 wage earners redundant for economic reasons within a 30-day period, he shall inform the head of the labour administration in his Department to this effect in writing, within eight days of dispatch of the written notification of dismissal to the workers concerned.

The procedure for dismissing staff representatives (on economic or other grounds) is laid down by the same decree. This law and the decree of 27 February 1987 have also simplified the procedure for individual dismissals which had hitherto been governed by the law of 13 July 1973.

The changes relate to the following aspects :

- the procedure for individual dismissals (prior interview and dismissal notice);
- individual dismissals on economic grounds issued within six months following on 30 dismissals;
- informing the competent administrative authorities;
- litigation and penalties.

143. The Law of 30 July 1987 lays down the conditions governing retirement of workers by cancelling provisions under previous agreements governing automatic retirement and determining retirement allowances (voluntary (i.e. early) retirement or retirement upon reaching the age of entitlement).

The provisions governing labour tribunals (conseils des prud'hommes) have been changed by Law of 30 December 1986 and the decree of 29 June 1987 (No 861319), which enable the judge to decide more quickly in matters of dismissal on economic grounds. The new provisions concern :

- the setting-up of a specialized body to take decisions in urgent cases;
- a simplification of procedures;
- the extension of the competence of labour tribunals to litigation arising from a breach of employment contracts covered by conversion agreements.

The apprenticeship system has been radically changed by the Law of 23 July 1987, which introduced a new contract for 16-25-year-olds. Apprentices no longer require a detailed suitability report, and the acceptance procedure has been simplified and speeded up. The apprenticeship system has been opened up to the preparation for all technical training diplomas and officially approved qualifications. The duration of the contract (from one to three years) can be modulated to adapt to specific occupations and the various levels of qualification required.

A number of successive contracts may be signed. The minimum number of hours of training has been raised from 360 to 400. Firms can themselves provide part of the training provided they have the means, specialized staff and equipment to do so. The apprentice's pay is established in relation to the statutory minimum wage per six-month period and depending on his/her age. The State covers the employer's social security contributions for firms employing more than 10 workers.

144. The law of 30 July 1987 (Article 89) has reintroduced the rule of the so-called "indivisible thirtieth" for civil servants employed by the State or other public administrations : in the event of a strike any absence from work of one day or part of a day will, under this rule, entail the loss of one thirtieth of the monthly salary.

The decree of 17 July 1987 applies the administrative order of 21 October 1986 on various types of financial participation and share-holding. A generally liberal approach has been followed and the number and scope of administrative restrictions have been considerable reduced. Industry now has a clear legal framework on which to base itself.

The administrative order of 21 October 1986 (No 86/1135) has made it possible for limited companies to appoint paid members, with voting rights and elected by the staff, to managerial or supervisory boards.

The law of 27 January 1987 has strengthened the offensive against illegal working by including in this concept the exercise for gain of any activity

- without being registered in the registers of occupations or trades and companies;
- without the appropriate social security or tax declarations;
- without submitting a payslip, keeping a paybook, declaring employed staff;
- without invoices.

The air traffic controllers' strike gave rise to a law creating a new public service "body", that of chief air traffic controllers.

In order to remedy the shortcomings arising from the lack of general sickness insurance cover, a Government-tabled draft law was passed which aims to extend cover to those hitherto excluded such as single mothers with at least three children and no social security cover (it provides for free and permanent entitlement to sickness insurance) and, secondly, persons unemployed for more than a year and not receiving benefits.

145. There have been no major developments in labour law in Ireland. A statutory order, Employment Equality (Employment of Women) Order, was approved by Parliament in April. The order brought to an end the prohibition on the employment of women industrial workers which had been introduced in legislation in 1936. About one in five of all women workers were affected by these restrictions.

The order took effect from 4 May 1987. Women are now permitted to work on industrial nightwork subject only to the general restrictions on shiftwork which already apply to men.

The Worker Participation (State Enterprises) Bill 1986 was introduced in the Senate in December 1986 but lapsed with the dissolution of Parliament. The Bill provided for the extension of worker-director arrangements to three further State enterprises. The Bill also made provision for the introduction of sub-board participation in a broad range of State enterprises at the request of a majority of employees. The Bill has not, as yet, been reintroduced.

A bill seeks to extend the provisions of the 1984 insolvency Act to cover persons over the age of 66.

146. In Italy, labour law still lacks the provisions required for the full application of the Council Directive on collective redundancies¹, in spite of two judgments by the Court of Justice (June 1982 and November 1985).

¹ Directive 75/129/EEC of 17.2.1975, OJ L 48 of 22.2.1975.

The Council Directive on the transfers of undertakings¹ has not been properly incorporated in Italian legislation either, in spite of a judgment in this regard by the Court of Justice dating back to 10 July 1986.

On 28 January 1987 an action was brought by the Commission against Italy for failing to apply certain provisions of the Council Directive protecting employers in the event of insolvency of their employer².

147. In Luxembourg, the law of 26 March 1987 on "solidarity" and "adjustment" bridging pensions has been voted by the Chamber of Deputies, in spite of formal reservations on the part of the Council of State, the Chamber of Commerce and part of the Economic and Social Council. "Solidarity" bridging pensions only apply in cases explicitly provided for by collective agreements or agreements concluded with the Ministry of labour. The latter requirement also applies to "adjustment" bridging pensions.

(1) The "solidarity" bridging pension makes retirement and the entitlement of the employer to assistance from the Unemployment Fund³ conditional on the recruitment of a job seeker or a wage earner under threat of imminent dismissal on economic grounds.

The minimum age for entitlement to the bridging pension is 57, and the maximum period during which the pension can be paid is three years. The amount paid is subject to a ceiling corresponding to four times the minimum basic wage, and, for the first year, to 85 % of the gross monthly wage of the worker concerned. This rate is reduced to 80 and 75 % respectively for the second and third year.

(2) The adjustment" bridging pension aims to make it possible for firms to shed superfluous labour in order to ensure their economic survival.

¹ Directive 77/187/EEC of 14.2.1977, OJ L 61 of 5.2.1977, p. 26 to 28.

² Directive 80/987/EEC of 20.10.1980, OJ L 283 of 28.10.1980.

³ The fund's assistance normally covers 50 % of the employer's contribution.

For 1987-89 it is estimated that 90 % of workers leaving the iron and steel industry, and 80 % in other branches, will take this form of early retirement. The cost of the scheme for the period 1987-1992 is estimated at LFR 5 700 million.

148. Under the Grand Ducal regulation of 24 March 1987, the Government is authorized to second some 60 persons from the iron and steel industry to a number of public services, government departments or administrations. The cost of this measure is estimated at LFR 40 million.

The law of 12 May 1987 amends the law of 30 June 1976 on the Unemployment Fund, which is to be known henceforth as the "Employment Fund", with the emphasis on the preparation and adaptation of labour to the needs of the labour market. Thus, elderly unemployed persons are entitled to an extension of unemployment benefit of up to one year. Unemployed persons with dependent children are entitled to unemployment benefit of up to 85 % (normally 80 %) of their last gross wage. The benefit scheme for unemployed persons forced to abandon a self-employed occupation has been improved.

The law of 27 July 1987, on retirement pension insurance schemes in the event of old age, invalidity and survival, provides for a 7 % increase in all pensions in the contributory sector. It creates a single scheme regardless of the social and occupational category to which the insured person belongs.

149. A draft Grand-Ducal Regulation is intended to extend until 31 December 1988 the system of special projects in the public interest, the purpose of which is to avoid redundancies in undertakings which are overmanned.

A Grand-Ducal Regulation guarantees payment of the training premium to the industrial sector until 31 December 1987. From 1988, these financial commitments will be honoured as a transitional measure by being charged against the employment fund under the law of 12 May 1987.

The following directives were adopted concerning the admission of Spanish and Portuguese nationals to seasonal jobs. The granting of a work permit to workers in possession of a fixed-term contract of employment is subject to an application by the employer for renewal of the work permit but for a contract for an unspecified period. The recruitment of new workers is normally prohibited, unless the employer has exhausted this right to convert fixed-term contracts.

With effect from 1988, workers newly recruited in the sector in question under a contract of employment for a period of less than 12 months will be granted a work permit of the same duration.

Opinions are divided on a draft law which seeks to amend the law of 1913 on Sunday working. This draft seeks to do away with the intervention of the Labour Ministry which was laid down by the previous law and make Sunday working a matter solely for the collective bargaining process, with the trade unions themselves assuming this responsibility. At present, a solution must be found to the argument between the unions on the question of the majority by which the decision will be taken.

150. In the Netherlands a survey has shown that the law on equal pay for men and women was not being properly applied in 29 % of undertakings. In 1987, the number of part-time workers reached 24.4 % of the working population (women and persons with low qualifications). It was moreover noted that 11 % of employment contracts were temporary or flexible contracts.

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A draft law drawn up by the Government aims at transferring the responsibility for settling disputes between works councils and firms from the joint industry committees to the courts. The joint industry committees will, however, continue to act as mediators before legal action is taken.

A Government decree has obliged 300 firms employing more than 500 workers to set up safety departments. 350 000 wage earners are affected by this measure.

A draft law was presented with the aim of freezing the minimum wage and social benefits in 1988. The Lower House has adopted a draft law authorizing benefit recipients to undertake unpaid employment. The law provides for control commissions, made up of employers' and workers' representatives and representatives of the local authorities, which will ensure that the activities carried on by such benefit recipients do not lead to a reduction in available employment.

Portugal

151. A Decree-Law due to be published at the end of 1987 provides for a system of compensation and aids to encourage people without jobs living in areas affected by unemployment to move to areas where employment rates are more favourable. No other provisions concerning labour law appear to have been adopted.

152. In the United Kingdom few new laws were enacted in 1987 but this will change with the Government's intention to pursue trade union legislation. Community law is beginning to have an effect on the courts' decisions with respect in particular to equal pay and equal treatment for men and women. On 7 November 1987, the 1986 act on discrimination on grounds of sex came into force, laying down that it was illegal to impose compulsory retirement at 60 years on women unless this measure is equally applicable to men. Following the decision by the Court of Justice (Marshall v Southampton and SW Hants AHA) rules on the normal age of retirement were standardized for men and women.

The Public Order Act of 1986 came into effect on 1 April 1987. It provides for a number of restrictions on trade union demonstrations such as sit-ins and picketing. The scope of these new restrictions is not yet clear and will have to be clarified by the courts, as was pointed out by various ministers during discussion of this law.

A new system of maternity allowances came into force on 6 April 1987.

The complexity of the new system and its connections with previous provisions have given rise to difficulties. Time will be needed to assess whether the new system is fairly advantageous for women. Small firms have complained that they now have to complete administrative formalities previously dealt with by the State.

The Employment Bill published at the end of October requires trade unions to organize, in the event of a strike, separate ballots for each workplace. The Bill amends the law applicable to the contracts of employment of public servants by making their union liable in the event of an illegal strike.

Chapter VIWAGES AND INCOMESTrends in the Community

153. The continued slowdown in the inflation rate and the growth in wages is the most positive trend at work in recent years in the Community countries. Wage restraint continues, with support for overall demand, to be one of the two vital factors in the cooperative growth strategy for more employment.

Although curbing wage increases is an integral aspect of the collective bargaining system in some countries with established traditions, this is not true everywhere. In many cases, indexation systems have been abolished or amended. In some Member States, wage restraint has to be restored in a context of a changing industrial relations system : it is accompanied by far-reaching changes affecting the relative importance and links between the different levels and subjects of collective bargaining.

154. At European level, there is a tendency for wage negotiations to be confined to the two sides of industry while the public authorities keep their distance. There has also been a shift towards negotiations at firm level. This is due partly to the crisis in the previous industrial relations system, the development of negotiations at local level, and lastly the renewed relevance and capacity for innovation at sectoral negotiations where there are many more incentives for applying collectively agreed measures on a firm-by-firm basis.

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The problem of establishing new references with respect to wage decisions has, in each country at varying pace and according to specific concepts, resulted in a more localized approach to the relationship between the work carried out and wages. A number of trials and experiments have been carried out linking part of a worker's wages more closely to the financial situation of the company.

It is not always easy to distinguish recent forms of individualized pay structures from more traditional forms (profit-related wages, individual bonuses and wage packets). Moreover, the notion of individualized pay structures is very often out of phase with the phenomena to which it refers. In many cases it is a mechanism for adapting individual wages in the light of criteria based on the results of collective bargaining.

155. Wage negotiations in the Community countries are undergoing radical changes. Recent economic and social developments (stagnation of purchasing power, transformation of production processes, etc.) would seem to have brought about a shift in the levels and subjects of wage negotiations towards more specific and more varied arrangements for the determination of wages at local level.

Completion of the internal market in 1992 will raise the problem of trends in unit wage costs and the autonomy of wage policies. As factors to be taken into account for macro-economic regulation and the location of companies at European level, wages play an essential role as regards the nature of specialization and in terms of the harmonization of social policies within the Community.

Belgium

156. Since the conclusion at the end of 1986 of a national inter-sectoral agreement for 1987/88, sectoral negotiations have once again been able to operate freely after a five-year freeze. While the Government has dropped its policy of intervening in wage formation, it has reserved the right to intervene in cases where wage rises jeopardize the competitiveness of firms.

Anticipating the Government decision to restore freedom of collective bargaining, the two sides of industry concluded an agreement on 7 November 1986 concerning the promotion of employment, duration of work and the minimum wage. This outline agreement was put into effect by collective agreements at sectoral and firm level.

Generally speaking, these agreements provided for a certain percentage of the wage bill to be earmarked for the improvement of employment. Wage increases continue to be modest, except in certain prosperous sectors, such as chemicals.

Several studies have shown that the wage restraint applied since 1981 has resulted in a 15% fall in wage-earners' purchasing power (ban on wage increases, limits on indexation, higher social security contributions, non-indexation of tax scales).

The restoration of freedom to negotiate did not result in an explosion of wage increases.

At the end of the year, for the first time since 1982, there was no decrease in real wages, while purchasing power was maintained and even slightly improved.

In accordance with the terms of the agreement of 7 November 1986, emphasis is laid on increasing the minimum wage and the incomes of the lowest paid. The guaranteed income for the elderly is BFR 20 895 for a couple and BFR 15 672 for a person alone. The guaranteed minimum wage is BFR 33 349 gross per month.

Under the provisions of the 7 November 1986 agreement, stress was placed on raising the minimum wage and the wages of the lowest paid.

Denmark

157. The agreements signed in March 1987 put an end to the tradition of two-yearly collective agreements. In future, the agreements will cover four years. This will ensure increased stability in industrial relations and greater long-term control of wage costs. However, there will be a wageround in 1989.

Agreements at the beginning of the year provided for a two-hour cut in weekly working time which should amount to an average of 37 hours by 1990.

Pay increases once again largely overstepped the targets. Manual workers received a 7.7% wage increase. In general, blue-collar and white-collar workers obtained similar wage increases ranging from 4.2% to 6.8% (8.2 - 9.9% in construction, 4.9 - 7.8% in textiles and 5.7 - 6.2% in the chemicals sector).

Over the same period, prices rose by no more than 4% on average and a new and strong rise in wage-earners' purchasing power can be expected.

Since workers in the public sector have received more modest pay rises in recent years, the new collective agreement provides for the upgrading of wages in the public sector. The indexation clause has been very clearly improved.

Federal Republic of Germany

158. There are no intersectoral collective agreements on wages in the Federal Republic of Germany. Furthermore, in accordance with the principle of "bargaining freedom", the State does not participate in the system of pay negotiations. Thus there is no compulsory arbitration, no compulsory minimum wage and no wage indexation.

Pay regulations are established by collective agreements on wages which are monitored by works councils under the co-determination system.

Wage agreements are concluded either at branch level between the appropriate employers' and workers' organizations or, more rarely, at company level between management and the trade unions.

There are two main types of wage agreement : framework agreements valid for 3-5 years cover all job categories, and wage agreements which determine pay levels according to gradings and are usually valid for one year.

The collective agreements concluded in the first half of the year continue to apply wage restraints. Agreed wage increases range from 3.0% to 4.2%, an average rise of 3.4%, which is less than in the preceding year.

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It should also be noted that negotiations are increasingly covering non-wage objectives. Agreements thus cover reductions in working time (reduced by one hour in 1988), flexibility, overtime restrictions and better working conditions.

While employers accuse the wage negotiation system of being too rigid to cope with the requirements of a flexible production system, the trade unions are responding with new proposals for wage differentiation and classifications.

There will be a moderate increase in earnings of 3% on average which will be only slightly affected by the modified social security contributions structure (increase in health and unemployment insurance contributions, reduction in old-age insurance contributions).

As in previous years, the Government was not involved in the pay negotiations and no action is being taken to stimulate internal demand.

Greece

159. The policy measures designed to stabilize the economy introduced in 1985 continued to be applied in 1987. The main brunt of the adjustment is borne by wage-earners through an extremely tight incomes policy. The system of wage indexation introduced in 1986 continued to be applied. The new system provides for the advance indexation of wages three times a year in line with foreseeable price trends, from which is subtracted the percentage of imported inflation.

Thus the 4.1% increase in wages on 1 January 1987 was calculated as follows : 4% to allow for expected price rises, from which 1.6% was deducted for imported inflation, and to which was then added 1.7% to compensate for losses during the previous year.

A 1% increase was granted on 1 May and 4.5% on 1 September.

Thus, total increases in 1987 amounted to 9.8% against an inflation rate of 15 %. It is likely therefore that the wage-earners in Greece will suffer a further serious drop in purchasing power.

The severe measures introduced are beginning to have an effect since the rate of inflation has slowed down considerably. The decline in real incomes from work has led to a drift in the distribution of value added from workers to firms. In the long term this movement should have a positive impact on investment and growth.

The Government seems to be moving away from the system of wage indexation as currently operated in favour of free negotiations between management and workers. If this is the case, Greece would seem to be coming closer to its European partners as regards methods of fixing wages. Under discussion too is the introduction of a productivity bonus according to which wages would be adjusted in the light of results.

Spain

160. The Government's income policy over the last few years has had three aims : to curb the increase in wage costs, to extend social protection to persons in need not covered by the general social security scheme and to improve the wages of the lowest paid.

The principal instruments used to achieve these goals were : an intersectoral minimum wage, pensions and social security allowances, public employees' earnings and basic criteria for collective bargaining and taxation.

In 1987, incomes policy focussed on the objective of restraining price rises which had the effect of reducing the difference in the inflation rate between Spain and its partners in the European Community.

Wage negotiations were dominated by the Government's aim of limiting increases in prices and wages to 5%. This goal was particularly crucial in that at the same time it determined the growth of retirement pensions, social security allowances, the minimum wage and earnings in the public service sector.

Although the Government's wishes were respected in the public service sector where the increase in earnings was close to 5%, the private sector was less cooperative. Increases amounted to 6.7% on average (5.65% for the national railway company, RENFE, 6 to 7% for Telefonica and 5.8% for Aviaco, an airline company). However, part of this increase was more often than not linked to productivity goals or improved service.

The intersectoral minimum wage, public employees' earnings and social security allowances rose by 5% in line with the anticipated rate of inflation. However, price rises in 1987 have turned out higher than originally expected. Therefore the purchasing power of the lower paid and those benefitting from the effects of redistribution is likely to decline.

France

161. In France, there is no system of intersectoral wage negotiations. The Government simply consults the two sides of industry on the fixing of the statutory minimum wage (SMIC). Wage negotiations at sectoral level relate to job classifications and minimum wages. Negotiations at firm level can concern all matters dealing with wages and in particular establish the levels of annual increases. Since 1982 there has been a requirement in France to negotiate wages at sectoral level and firm level (Auroux laws).

Since 1983 wage policy has formed part of a general policy designed to slow down inflation. Policy to combat inflation has been based on wage restraint and has had the effect of totally inverting the logic of wage formation. Wage policy is determined less than in the past at sectoral level and increasingly incorporates economic criteria specific to each firm.

The major strikes at the end of 1986 and early in 1987 and the upwards revision of the target for price increases did not call into question the Government's economic and wage policy.

In nationalized companies agreements were concluded at the beginning of the year providing for a maximum 3% increase in wages,

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allowing for age and specialization-related wage drift and productivity bonuses. In the private sector, most agreements or recommendations are based on general increases of 1.5% leaving room for more individualized pay patterns up to a maximum increase of 3%. Among the employers' wage goals in this area reference should be made to the desire to call into question the system of seniority increments.

The question of controlling production costs, individual pay structures and a yearly review of the SMIC are the employers' main concerns. Too rapid increases in the SMIC could have the effect of disrupting the occupational hierarchy.

The increase in the SMIC on 1 March was in line with the strict application of the rules for the adjustment of the price index. The same is true with respect to the increase on 1 July which offset the differences between price rises from March 1986 to May 1987 (3.4%) and the increase in the SMIC since July 1986 (2.4%).

To wage restraint policy is added the 0.6 point increase in social security contributions in the second half-year. A 0.7 point increase in old-age pension contributions had been agreed in August 1986. Although the income tax burden was eased in 1987, a 1.5% loss in the purchasing power of total wages and salaries can be expected in 1987 as compared with a rise of 1.3% in 1986.

Ireland

162. Wage levels in Ireland are determined by free bargaining between the two sides of industry. The Government's role is to define what it believes to be a desirable average wage increase. In the 26th Pay Round held this year, almost 700 private sector firms reached agreement on an average wage increase of about 5 %. No serious social disputes accompanied this agreement.

Greater difficulties emerged in the public sector negotiations. Although the Labour Court advocated an increase of 4% a year, the Government was not prepared to allow wages to exceed the rate of inflation.

Agreement was however reached in October 1987 between the Government and the two sides of industry (National Recovery Programme). The agreement covers fiscal matters (tax reform), monetary aspects (monetary policies and exchange rates) and social aspects (labour law and greater social equity). It covers the period from 1987 to end 1990.

As a result, average pay increases will not exceed 2,5 % in each of the years 1988, 1989 and 1990. Special consideration will be given to lower-paid workers. At the same time, tax reductions will be implemented.

The agreement concluded in the public service sector entails a six month pay pause followed by a differentiated increase according to wage level :

- + 3% on the first IRL 120 of basic weekly pay;
- + 2% on the balance.

The minimum weekly increase will be IRL 4. Thus wage restraint will continue to be applied in Ireland over the next few years.

Italy

163. Wage negotiations in Italy take place at several levels :

- at national level, the trade union and employers' confederations negotiate the minimum wage with the Government;
- at sectoral level, the sectoral employers' and workers' organizations negotiate collective agreements usually valid for three years. They cover all aspects of conditions of employment;
- at company level, negotiations cover a greater variety of subjects (from working time to the right to organize).

The Scotti agreement of 22 January 1983, signed by the employers, the trade unions and the Government, provided for a reduction in wage indexation with tax relief for employees and cuts in employers' social security contributions. Thus a two-fold purpose is served by the agreement : first, it confirms the shift from the existing bargaining model to a more centralized one involving the State; second, it formalizes a declared incomes policy by extending the bargaining power of the national confederations to new areas.

A characteristic of the sectoral negotiations in 1986 and 1987, however, has been the marked recovery of sectoral bargaining power and the specific demands for more negotiations at company level to supplement the general points defined by the sector. It remains to be

seen whether this means a return to the old bargaining/disputes model or whether on the contrary it presages a new system of industrial relations involving a redefinition of the respective roles of the different bargaining levels and of the matters negotiated at the various levels.

Overall purchasing power remains unchanged due to the sharp fall in inflation in the last few years. Hourly wages in manufacturing rose by some 4%. There is general consensus in Italy on the need to combat inflation and practise wage restraint. This has been achieved by curbing wage increases in the public sector, taking an approach based on the total wage bill rather than on wage levels and, lastly, by granting a series of compensatory measures (reduction in working time, tax relief, training contracts, etc.).

New incentive schemes are becoming increasingly successful. They determine a variable part of the wage and are linked to far more complex company objectives than just production quotas.

Luxembourg

164. In 1987, wages and wage costs continued to rise as a result of agreements concluded in 1986 for a two-year period.

The nominal rate of increase in 1987 was 7.5%, of which 1% was accounted for by wage indexation, nearly 3% by the expansion of the workforce and over 3% by purchasing power increases.

Accompanying this trend in gross nominal wages was a sharp rise in the real earnings of individuals due to substantial tax reductions estimated at LFR 2 800 million, ie. over 2% of private consumption.

It is becoming increasingly difficult to establish a representative index of wage trends, since certain benefits which improve earnings are not covered by the hourly wage concept. These include wage supplements such as holiday pay, one-off bonuses, productivity bonuses, allowances for night-work, dirty work, length of service, work clothes, etc.

This means that the wage index as currently defined is unable to keep track of the most dynamic wage factors. The basic wage varies only slightly, but the flexible part of the wage, depending on productivity and working conditions, changes very rapidly.

The law of 28 March 1986 reformed the minimum wage and stepped up the basic rate by 3%. In January 1987, it was again adjusted (+0.5%), reflecting the reintroduction of the "advance instalment" mechanism.

The legislation on the guaranteed minimum income came into force on 1 November 1986.

In the public sector, measures to harmonize grading structures and eliminate special cases contributed to a substantial increase in the total wage bill of some LFR 800 million in 1987.

The Netherlands

165. With a firm rein on inflation (prices dropped by 1 % in 1987), wage increases are stringently controlled (+ 2.3 %). Thus under 47 collective agreements covering 1 300 000 workers, the wage increase was 0.75 %. Where agreements were concluded for two years in 1986, increases were very low in most sectors.

The gaps between wages are closing : a survey has revealed that in 1985, the average monthly wage was twice as high as that of an unskilled adult worker. In 1979, the difference was 2.3. It was noted that the levelling process chiefly affected the salaries of those with university qualifications.

A report by the Economic and Social Council argues that the difference between the minimum wage and the average wage is insufficient and that the minimum wage should therefore be reduced by 15%. A larger gap between the minimum and the average wage would, in its opinion, enhance labour market flexibility in the Netherlands.

The Government did not follow this advice, although, in the proposals it has submitted for the forthcoming parliamentary year, it recommends abolishing the minimum wage for young persons in the 15-17 age bracket. It also proposes to raise the age limit for entitlement to the minimum youth wage from 23 to 24. It hopes thus to improve the position of young people on the labour market.

A survey conducted by the Wages Department showed that 30 000 persons or 0.9% of workers entitled to the minimum wage were underpaid. On average, the wages they received were 7.9% lower than the legal minimum.

Negotiations in the private sector took place in a calm climate despite the slow-down in wage increases, although the same cannot be said of those in the public sector, which were accompanied by disputes concerning the increasing disparity between private and public sector pay.

Portugal

166. A recommendation on an incomes policy for 1987 was adopted as part of the social concertation policy. The recommendation establishes several guidelines and refers to three factors which should determine the wage trend : the estimated rate of inflation, productivity and the competitiveness of firms. The inflation target was set at 8% for 1987 and at 4-6% for 1988.

Wage levels are partly the result of Government intervention which fixes the minimum wage and the pay of civil servants. A major role is also played by the Collective Labour Regulation Instruments (CLRI), although it should be noted that there can be considerable differences between actual wages and those fixed by the CLRI.

Between 1982 and 1984, workers' purchasing power had declined considerably; the drop in real pay was widespread. Since 1985, however, real wages and salaries have risen steadily, reaching +3% in 1987.

The agreement concluded in July 1986 was applicable until June 1987. The 1987 pay negotiations also covered certain aspects of working conditions and the duration of work.

An analysis of the distribution of wages shows that 2% of workers over the age of 20 are paid less than the minimum wage. The highest earnings are in the following sectors : insurance, banking, transport, communications, electricity, gas and water. The lowest pay levels are in hotels and catering, textiles, clothing, leather and wood industries.

United Kingdom

167. There are no intersectoral pay negotiations in the United Kingdom, which has a variety of different bargaining levels : national, sectoral, company, establishment and workshop. Regional level negotiations are more prevalent in certain sectors such as transport. The chief purpose of pay negotiations is to determine rates of pay (generally minimum rates at sectoral level and real rates at other levels), and to define profit-related pay and job evaluation methods. The classification systems are very general and are really only relevant at the local level. On the whole, it can be said that wage levels in the United Kingdom depend more on productivity criteria than on classification systems. In the absence of collective agreements on wages, the Wage Councils determine the minimum conditions for certain regions or sectors.

There is no wage restraint policy in the strict sense in the United Kingdom. On the other hand, the Government's anti-inflation policy, the trade union legislation in force since 1982 and the employers' efforts to reduce labour costs have narrowed the basis for negotiation and the scope of wage increases.

The Government has for several months been openly questioning the future of national pay bargaining, arguing that pay rates defined nationally on the basis of the South East region hamper inter-regional mobility.

The negotiations conducted in 1987 show pay increases ranging from 4.5% to 6.5% according to sector. The average annual rate of increase in wages was 7.7% in the first half of the year for the economy as a whole.

With inflation at the 4-5% mark, purchasing power should grow by some 3% in the year under review. It would seem that the Government and industry are endeavouring to offset the strong pressure to increase pay by incorporating flexible elements, ranging from market forces to job promotion schemes.

Chapter VII

LIVING CONDITIONS AND FAMILY AFFAIRS

Trends in the Community

168. The year under review saw little improvement in living conditions owing to two factors: the continuing high levels of unemployment and the austerity policies pursued in the Member States. Nevertheless, attempts were made to find solutions to specific problems. Thus, the majority of Member States gave special attention to certain target groups, notably families and the elderly.

169. There was a degree of emphasis on action to benefit the family in 1987, ranging from isolated measures to a coherent policy. As in earlier years, considerable attention was devoted to the situation of children in the context of divorce proceedings and one-parent families, of which there are now large numbers. Specifically, several Member States established child protection systems in which the marriage or cohabitation of the parents no longer plays a role.

Member States are increasingly aware of the problems associated with aging population structures. There is an almost universal shift in favour of caring for elderly people in their own homes, which they prefer, for as long as possible. Amongst the systems introduced, mention should be made of arrangements designed to facilitate recourse to home helps by means of allowances or tax relief. Also worthy of note is an emphasis on the provision of independent accommodation. Some Member States are in the process of devising solutions to the very serious problems which rapidly rising rents pose in certain regions.

170. The year under review saw the continuation of a particular trend in the context of action to achieve equality of treatment for men and women in relation to social security. Several Member States put forward proposals on the equalization of retirement ages and arrangements. The debate on this question is, however, still at a very early stage, since it would seem that the relatively favourable treatment enjoyed by women is not to be extended to men. In order to promote a greater de facto equality of

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participation in working life for women efforts have been made to generalize or improve maternity and parental leave schemes. Finally, it should be noted that Denmark now finds itself in the forefront of the Community following the adoption by Parliament of a resolution envisaging the gradual implementation in social legislation of the principle of individual entitlements.

Development of the situation in the Member StatesBelgium

171. The Law of 31 March 1987 amended various statutory provisions concerning filiation, with a view principally to establishing equality of treatment between natural and legitimate children.

Royal Decree No 534 of 31 March 1987 amended the family allowances scheme for employees. It simplified administrative procedures and made the conditions for entitlement more flexible, notably by raising to 16 the age up to which a child enjoys unconditional entitlement, establishing equality of treatment for widows and widowers and improving the scheme for unemployed persons with dependent children.

The National Labour Council considered a government proposal aimed at introducing a uniform retirement age for men and women. Under current legislation, the retirement age is 60 for women and 65 for men. The government plan envisaged arrangements requiring a contribution record of 45 years for entitlement to a full pension. Opinion remains divided, however. The unions take the view that a contribution record of 40 years should be sufficient, whereas the employers feel (given unfavourable demographic trends) that a record of 45 years is needed.

The Law of 27 February 1987¹ on benefits for the disabled completely re-organized a body of legislation which was previously highly complex.

Under the Finance Law of 7 November 1987, the level of minimum subsistence benefits was raised with effect from 1 January 1988. For the head of a household it went up from BFR 19,689 to BFR 20,895 (+ 6.1 %) per month. Cohabitants receive the same percentage increase, i.e. from BFR 9,844 to BFR 10,448 (+ 6.1 %). People living alone receive more : from BFR 14,176 to BFR 15,671 (+ 10.5 %). Finally, single parents are no longer treated in the same way as single people living alone. For them minimum subsistence benefit increased from BFR 14,176 to BFR 16,176 per month (+ 17.9 %). Some 10,000 single parents are receiving minimum subsistence benefits; most of them are women in serious difficulties as a

¹ Social Report 1986, point 168.

result of the departure or death of their husbands.

Entitlement to the minimum subsistence benefit was extended to foreigners residing in Belgium by a Royal Decree of 27 March.

Denmark

172. Since 1 January 1987, a woman on maternity leave may extend her leave period by 3 months if her child is in hospital. Previously, such an extension was only possible in the case of premature babies. Also as from 1987, the father is entitled to the full period of maternity leave in the event of illness or death of the mother.

The Ministry of Social Affairs published a report on immigrant children and their living conditions, taking as its point of departure the principle that they should enjoy the same treatment and opportunities as other children.

The year under review also saw the publication by that Ministry of a report on equal treatment as regards cohabitation inside and outside marriage in which the Committee on Marriage considered the scope for equalization of rights in this context. The Committee looked at two models: the individual entitlement principle where each person is treated as single and the household entitlement principle where men and women living together are treated as married. Parliament adopted a resolution calling for the progressive implementation of the principle of individual entitlement in social legislation.

In October a committee which reports to the Ministry of Justice published a report on separation and divorce. The committee proposes that the law on separation and divorce should be updated and simplified. Divorce should be easier to obtain if both partners agree, in which case the separation period should be reduced from one year to six months. It was also proposed that adultery should in future be considered as legal grounds for divorce. An innovation, however, is the suggestion that adultery should be permitted during the separation period in future.

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A Committee on the everyday life of children was established by the Ministry of Social Affairs to ascertain whether existing measures are sufficient to meet the day-to-day needs of children and their parents.

Parliament adopted new laws on the elderly which will come into force in January 1988. In particular, these laws will introduce fixed rules regarding the heating allowance and make permanent home helps available free of charge as from January 1989. Additional housing for the elderly will be provided in the form of independent dwellings. Under the new arrangements, pensioners in nursing homes will either receive a full pension - in which case they themselves will pay for their accommodation and the services they wish to receive - or draw a relatively small pension and services will be provided free of charge in the home.

The draft Law introducing a partial retirement pension scheme¹ entered into force on 1 January 1987.

In May, Parliament adopted a resolution aimed at improving transport facilities for disabled people and specifically calling for better accessibility of public transport and buildings.

The Social Assistance Law was revised with effect from 1 July. Henceforth, cash benefits under this Law are to be paid on a flat-rate basis, comprising in the first place a basic allowance of DKR 2 579 per month for a single person and twice that amount for a couple. Young people under 23 living with their parents will receive DKR 1 325, whilst those living on their own will receive DKR 1 847. In addition, a housing allowance will be paid to cover rent, electricity, heating, etc. Finally, beneficiaries will be entitled to an allowance for any child under 18 years of age.

¹ Social Report 1985, point 154.

Federal Republic of Germany

173. Since the 1970s the declining birthrate in the Federal Republic of Germany has continued to affect the situation of nursery schools.

Whereas in the 1960s the growth in nursery schools and crèches could not keep pace with population growth, the current low birthrate has produced an actual drop in the number of children going to nursery school.

Since 1986, family policy has provided for the inclusion of a fictitious contribution year for the statutory pension insurance scheme for all mothers born after 1921. As a result, the monthly pension has increased by DM 27 for each child.

However, the Government felt the need to come up with a suitable solution for mothers born before 1921 who had brought up children. These mothers are therefore granted additional pension years under the law on benefits for bringing up children (KLG). This gives them a cash benefit regardless of their pension. This benefit will be equivalent to the average pension for mothers born in and after 1921. The number of mothers affected is put at 4 million.

The benefit is being granted in stages, i.e. from 1 October 1987 for mothers born before 1907, from 1 October 1988 for those born between 1907 and 1911 and so on.

According to the Federal Statistical Office, the number of people claiming social assistance rose from 2.6 to 2.8 million in 1985.

In 1986, expenditure on social assistance totalled approximately DM 2.32 billion, which is 11.3 % more than in 1985 (DM 20.85 billion). DM 9.4 billion was spent on normal daily benefits for people unable to meet basic living expenses (including lodgings). Some DM 13.8 billion was spent on assistance for those with special needs, i.e. DM 7.59 billion for personal assistance, and DM 4.55 billion for social integration of disabled persons.

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On 18 September 1987, the Social Affairs Ministers of the Länder agreed on a change in the method of calculating the standard rates for normal daily benefits. Hitherto, they had been calculated and adjusted on the basis of the cost-of-living index. This method has now been replaced by a statistical model based on the actual needs of a consumer with a low income.

A measure taken by the Bavarian Parliament to help the needy provides for the introduction of the care allowance as a new commitment under the law on sickness insurance. People requiring urgent assistance receive around DM 20 per day according to their needs.

The cost of this statutory sickness insurance is estimated at DM 6.5 million per year. Under the law on structural reform, this money has to be raised through economy measures elsewhere.

Rheinland/Pfalz grants a monthly benefit of between DM 216 and DM 540 which is paid regardless of earned and other income. This concerns people aged 60 and over.

Greece

174. There are no developments of note to report since 1986.

Spain

175. Parliament approved a new law on adoption (Law No 21/1987) which was published in the Official Gazette on 17 November. It presupposes "a complete break in the legal relationship between the adopted child and its original family, and the establishment of a new relationship to which the general rules of natural kinship apply". Apart from highly exceptional circumstances, adoption will apply only to minors. A

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pre-adoption stage is introduced in which the child lives with its potential adoptive parents before actual adoption takes place. Both the pre-adoption arrangements and adoption itself will be subject to the minor's consent where the latter is aged 12 or over.

The main objective of this law is to protect the children concerned, to reduce the minimum age of adoptive parents from 30 to 25, and to make procedures more flexible through the setting-up of public services in the autonomous regions, which will be responsible for providing the necessary information to interested members of the public.

France

176. In the field of family law, in February 1987, the Commission for Social Protection and the Family published a report on "Work and family life, the need for a new balance". The report recommends more flexible working conditions and organization - by developing part-time work, introducing more diversified timetables, making parental leave available to all, and reducing the distance between home and the place of work. It also calls for an overall harmonization between working time and family life through the development and diversification of childminding facilities for children up to three years old, coordination of parents' time and children's time, and more home help.

The Board of Administration of the Family Allowances Funds decided to give priority to the households most in need, particularly as regards childminding.

To fill in the gaps in the overall cover of the sickness insurance system, Parliament approved a draft law granting single mothers without any social cover and with at least three children free and permanent entitlement to sickness insurance from the age of 45.

The Law of 29 December 1986 on the family supplements the Government's Family Plan by adding provisions concerning family allowances.

Three new measures were envisaged :

- the first concerns extension of the parents' allowance for bringing up children (APE). It will be paid until the child reaches the age of three at the rate of FF 2 400 a month and there will be greater flexibility as regards the criterion of prior gainful employment;
- secondly, an allowance for childminding at home (AGED) has been established. It entails the refund of social security contributions payable for employment at home of a person to mind children under the age of three (it amounts to FF 6 000 a quarter);
- thirdly, the system has been simplified with regard to benefits relating to the family supplement and loans to young households, home-removal allowances, allowances for young children and remuneration during maternity leave.

With respect to the elderly, a temporary insurance for widows and widowers has been established (payable for three years). The amount is degressive to encourage beneficiaries to seek employment or enter vocational training (e.g. FF 2 435 a month for the first year, FF 1 601 a month for the second year and so on). It is a transitional aid to facilitate the integration of a widow or widower.

To receive the supplementary allowance from the National Solidarity Fund, applicants must henceforth satisfy a requirement in terms of a minimum period of residence on French territory prior to the request.

Amounts paid in respect of home helps are deductible from taxable income for persons over 70 years, holders of a disability card and persons with a dependent child.

As regards housing, a new type of family contract has been introduced : "Action plans for housing large families". These new contracts, signed by the state and the local authorities, incorporate the general

objectives of family contracts which are "to provide an environment favourable to the family and the birth rate", whilst focusing more specifically on the families concerned, i.e. large families.

Ireland

177. The purpose of the Status of Children Bill is to equalize the rights under law of all children whether born within or outside marriage. The bill lays down a general principle of equality whereby the family relationship between any two people is to be determined without regard to whether a person's parents have married each other. It applies this principle to guardianship, maintenance and property law, including succession rights. The bill sets out to eliminate all legal discrimination against children born outside marriage, but it retains a distinction in the matter of guardianship rights of the father depending on whether he has married the child's mother.

There was no increase in the level of child benefit but pensions for the elderly, widows and widowers were increased by 3 % from July 1987.

Italy

178. Proposed reform of family allowances and the introduction of social needs allowances (July 1987)

On 21 July 1987, the Minister of Labour, Mr E. Gorrieri, presented a proposal for the reform of family allowances, replacing the concepts of "head of household" and "dependent" person by the concept of "family unit" as the yardstick for a fairer distribution of income. The social needs allowance will be available to all citizens irrespective of category or age. The social needs allowance is intended to supplement family incomes (including those of one-person households) considered inadequate for an acceptable standard of living.

The proposed reform is thus designed to bring about a redistribution of incomes in relation to needs and will operate simultaneously through two separate channels :

- a) individual solidarity within the working population combined with the State contribution as regards income supplements for working households (allowance for family units);
- b) collective solidarity as regards income supplements for households made up of persons over 65 (social needs allowance).

These two benefits are quite separate and are aimed at different groups of beneficiaries : the allowance for family units is for persons under 65 years of age, while the social needs allowance is for single persons or couples over 65 (possibly with disabled or under-age children).

Income and household composition must therefore be calculated separately even where two family units live under one roof and constitute a single complex family.

This method has been chosen with a view to ensuring, in so far as is practicable, that elderly people can remain independent vis-à-vis persons in employment both materially and psychologically, even in cases where, for environmental or other reasons, they may have opted to live with a working son or grandson.

Finally, as far as solidarity of the working population (allowances for family units) is concerned, the solution chosen, though not entirely consistent with the direction in which the system is moving (separation of assistance and insurance concepts), has been selected because it will thereby be possible, using resources already earmarked for family benefits, to achieve without undue disruption a result which in practice goes a long way towards the final goal of social needs supplements for inadequate family incomes. This scheme has been included in the provisions of the 1988 Finance Law.

Luxembourg

179. A draft law on education allowances is expected to be finalized by the Government in January 1988. The allowance is to be between LFR 10,000 and LFR 12,000 per month for two years. It would be granted to mothers who stay at home, women who give up their jobs, at least temporarily, to bring up their children, and single mothers with part-time jobs.

The new school year allowance (Law of 14 July 1986) will be substantially increased; families with three children may now receive as much as LFR 20,000.

The Government recently tabled a number of amendments to the draft law on the introduction of adoption leave for wage-earners in the private sector. The aim is to do away with remaining inequalities in terms of social security between legitimate families and adoptive families.

The policy aimed at extending day centre facilities for children is continuing.

The Ministry for Family Affairs has announced the establishment of four experimental day centres for the elderly; they will be an integral part of residential homes for the elderly.

Efforts in terms of home help will build on existing "meals on wheels"-type services covering three quarters of the country. The draft law is expected to be voted on before the 1988 summer recess.

The Law of 27 July 1987 deals with old age, disability and survivors' pensions. It provides for a general reform of the various laws on contributory pension schemes in order to institute a single scheme for manual workers, white-collar workers in the private sector, traders, industrialists, farmers and the professions.

The main features of this reform are :

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Firstly, the setting up of a single scheme. The same contributions will provide the same benefits regardless of the socio-professional group.

Secondly, the rate at which income from work is replaced by the different types of pension is increased.

Thirdly, the new Law guarantees adjustment of the whole pension to the real level of earnings.

Fourthly, setting up of the single scheme and standardization of the conditions for granting pensions have entailed a complete revision of the regulations on the people and types of benefit covered by the pension schemes. This was based on the principle that pensions constitute a replacement income when income from work is lost and with the aim of promoting entitlement to independent pensions.

Fifthly, provisions have been introduced to prevent the simultaneous drawing of a pension and other benefits as a consequence of overlapping social security cover.

Lastly, an across-the-board 7% rise in all present pensions introduced on 1 July 1987.

Among the additional social measures envisaged by the Law on the "anti-poverty campaign" only the temporary employment scheme is in operation. Thanks to the efforts of the Social Action Service certain employers and public administrations will provide opportunities for persons in receipt of the guaranteed minimum income benefit to perform work in return for that benefit.

Three pilot projects are being carried out as part of the second anti-poverty programme. The first is concerned with single-parent families, the second with helping the elderly and providing social centres for the elderly, and the third with the socio-economic support structure.

The Netherlands

180. On 1 January 1987, there were 3 770 000 families in the Netherlands. 2 700 000 people, i.e. 18.5 % of the population, do not live in a family context. The most common type of family unit is the couple without children (or whose children are not living with their parents) (1 232 000). There are 405 000 single-parent families, mainly women with children. The average number of people per family unit fell from 3.56 in 1971 to 3.16 in 1987.

More than 93 000 children were born during the first half of 1987 in the Netherlands, the highest figure since 1973. Note should be taken of the relatively high number of births to women over 30. Half the women with young children would like to combine child-rearing with paid work : a study carried out by the Political Research Foundation shows that one quarter of them manage to do this; 11 % of women think that inadequate child care facilities are a major problem. This means that there are no such facilities for more than 70 000 children from 60 000 families. Working women prefer public child care facilities such as day nurseries to more informal arrangements (neighbours and family).

On 1 January 1988, people ceased to be minors at 18 instead of 21. This lowering of the age of majority affects approximately 750 000 young people. Parents' obligations to provide for their children and pay their study costs will continue to apply in respect of young people up to the age of 21.

According to the Central Statistical Office, the total cost of health care in 1986 increased by 4 %, compared with the preceding year, amounting to HFL 35,800 million. For the first time for two years the increase in the cost of health care is once again higher than the rate of increase of the gross national product.

A housing survey carried out by the Central Statistical Office showed that tenants were spending an increasing proportion of their net income on rent. In 1981, the average tenant paid out 14 % of his or her income in rent. By 1985 the figure had risen to 16.8 %. People on low incomes spend the greatest proportion of their income on rent. The highest percentage is found among the elderly (19.3 %).

New legislation on pensions is designed specifically to solve the problems of people who receive either a limited pension or no pension at all. Of 3 700 000 workers in the Netherlands, 680 000 receive no retirement pension other than AOW (general state pension scheme).

Portugal

181. The Government has decided to raise pensions in November. Nearly two million people will benefit from this measure.

The increases granted are between 10 and 14 %. If one takes into account probable inflation for 1988, the real increase in purchasing power will be of the order of 3 to 7 %. In spite of this positive trend, the amounts actually paid remain inadequate for the vast majority of recipients. The percentage of pensioners registered as still working in Portugal remains high.

United Kingdom

182. In the United Kingdom, 1987 was marked by a number of public controversies :

- the right of families vis-à-vis doctors and social workers in cases of suspected child abuse. There was a public outcry when more than a hundred children were taken away from their families in the north-east of England, on the order of two doctors;
- the system of special payments to elderly victims of the severe winter weather last year came in for strong criticism. The Government has since taken action to ease the rules;

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- the National Health Service can no longer cope with demand. According to the Government, which is planning to make more cash available, the crisis in the NHS is the result of growing demand, which cannot be met simply by providing more cash;
- finally, the replacement of rates by a new poll tax, which is said to favour single persons and penalise families, is causing considerable controversy.

Disparities in regional development continue to give cause for concern. The image of a United Kingdom divided into a prosperous south-east and impoverished areas elsewhere needs to be qualified inasmuch as the most disadvantaged areas are to be found in the London area. This is also the area where house prices have rocketed, with all the usual negative social effects.

In demographic terms, the continuing ageing of the population is reflected in the abolition of statutory early retirement schemes and the tightening up of restrictions on combining occupational pension schemes with unemployment benefit. It is also causing problems for residential homes for the elderly, which are having to cope with increasing numbers of single elderly persons, particularly women.

Finally, whereas social security benefits in general have kept pace with inflation, family allowances have remained unchanged. This, and other signs, are seen as indications of the Government's intention to reform the tax position of families.

Chapter VIIISOCIAL SECURITYTrends in the Community

183. This year saw evidence of a greater political willingness to tackle in the short to medium term the problems caused by rising social security expenditure in a period of low economic growth, while maintaining or improving social security schemes. After the studies leading to the 1986 Social Security Act in the United Kingdom, several other countries launched overall enquiries into the functioning of their schemes, the most comprehensive being the "Etats Généraux", a series of debates held at regional and national level in France. Ireland set out its Programme for National Recovery in October, the objectives of which included progress by 1990 in diminishing or removing social inequities. Spain, in a plan of action likewise lasting until 1990, announced its intention to present, after consulting the social partners and other specialist organisation, a bill on non-contributory benefits for those at present outside the contributory system and shown as being in need.

The problems of the long-term unemployed led several Member States to amend their laws in order to lengthen the existing duration of unemployment benefit, since only in Belgium is this benefit paid indefinitely. In the Federal Republic of Germany, the duration of benefits now depends on a combination of contribution record and age, and may not exceed 832 days. In the Netherlands, under the New Unemployment Act, benefits can be paid for as long as 5 years, again according to the claimant's length of employment and his or her age. In Luxembourg too, unemployment benefits are prolonged for those over 50.

184. Attempts to bring the rise in health care costs under tighter control continued, with either new legislation in many countries or the setting up of enquiries into the delivery of health services. In Ireland, for example, a consultative document stated that in future the emphasis will be on the development of primary health care, incorporating a positive approach to prevention of ill-health and handicap and the promotion of good health.

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In some countries, a further extension of social security coverage is to be seen. Portugal gave the self-employed the right to coverage for sickness and maternity insurance in February. Ireland decided to introduce pay-related sickness insurance for farmers and other self-employed persons in 1988. The introduction of private pension schemes as a complement to state-operated social security has been introduced or is being considered in some countries where private schemes do not already exist or exist only to a limited extent. In Spain, a law of 9 June allowed the setting up of occupational pension plans, run by pension funds independent of the employer. In Italy, an agreement was reached on 28 July between the Employers Federation and representatives of industrial managers (dirigenti) on complementary pensions, effective as from 1 January 1988. In the United Kingdom, draft regulations on occupational pensions were circulated for public comment. The regulations cover personal pensions, voluntary contributions to occupational pension schemes, supply of information to scheme members, the setting up of industry-wide occupational schemes, transferability of pension rights and investment protection programmes. It was also announced that the minimum age for receiving occupational pensions is to be reduced from 60 to 55.

At the end of the year, the "December solution" in Denmark resulted in plans to reduce the period during which employers pay sickness benefits from five weeks to one, as well as increases in unemployment benefits and pensions. In a significant change, a restructuring of employers' contributions to different social security schemes occurred and a new tax calculated with reference to the amount firms pay in value added tax, rather than a contribution based on employees' earnings, was introduced.

Development of the situation in the Member StatesBelgium

185. Several measures have been introduced with the aim of achieving a net increase in the recruitment of young job-seekers and long-term unemployed people, more especially by means of a reduction in employers' contributions. For example, a Royal Decree of 31 December 1986 grants firms recruiting from these categories a reduction in contributions until 1990. In 1991 the reduction will fall by a half and in 1992 it will be brought down to 25 % in respect of labour recruited between 1 January 1987 and 31 December 1987. A Royal Decree of 22 May provides for a combined work and training scheme for young employees (between 18 and 25 years of age) accompanied by a reduction in the employer's social security contributions.

Efforts to contain the cost of health care, i.e. as regards medical services and cost of pharmaceutical supplies are continuing. With effect from 1 January, the services of hydrotherapy institutions will no longer be considered as hospital services so that a period in such institutions will no longer be refundable on the same basis as admission to hospital although a flat-rate amount of BFR 900 per day will be allowed for health care services provided in such institutions. Under a Royal Decree of 31 March, the insurance organizations can no longer open or continue to operate counters in health care establishments. The aim of this provision is to prevent circumvention of the prohibition on insurance schemes covering the third-party cost of certain health services.

In order to rationalize the administrative organization and cost-settlement of services, a new body, to be known as the National Pensions Office, was set up under a Royal Decree of 27 March. As the new Office will assume responsibility also for the payment of pensions under the self-employed workers scheme, this Office will have - in addition to a Management Committee - a "Council for the payment of benefits" consisting of an equal number of administrative members from the bodies which pay pensions.

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The Law of 27 February is a framework law for matters relating to the handicapped covered by the social assistance scheme. This law introduces two allowances for the handicapped funded by the State:

- an income replacement allowance if it is established that earning capacity is reduced to a third or less of that of a non-handicapped person,
- a compensatory allowance if a lack or partial lack of independence is established.

This new law does not apply to handicapped persons covered by the former scheme dating from before 1 January 1975.

On 4 November 1987, a collective agreement for 1987-1988 was concluded for the public services between the government and the Christian and Liberal trade unions. It raises the minimum guaranteed wage and the wage scales by BFR 12 000 p.a. It partly maintains the "solidarity contribution" whilst introducing the payment of pensions in arrear with effect from 1988. The Socialist confederation had not signed the agreement by the end of the year.

After lengthy deliberations, on 16 December 1987 the National Labour Council issued a unanimous opinion on the financial problems of the social security system. This is an important development, the two sides of industry having been fairly divided in recent years concerning the major problems of the social security system. Last September the National Labour Council had produced a totally divided opinion on the retirement age.

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Denmark

186. In January the Folketing held a debate on the Report on Child Policy submitted by the Minister for Social Affairs.

The report emphasizes that children are the responsibility of the parents and society must call on and help parents to perform their duties towards their children satisfactorily.

Society must be organized in such way as to enable individual families to combine working and family life, which, according to the Minister for Social Affairs, may be achieved at local as well as central level.

The Minister has set up two Committees to consider methods to improve conditions for children in Denmark today. One, consisting of representatives from many ministries, will focus on all-round measures for children while the other will consider issues relating to day-care, and how it should be financed, and examine the experience gained from various pilots schemes carried out by the local authorities.

In March, the Minister for Social Affairs introduced a Bill to amend the Social Pensions Act with a view to increasing the pension supplement so as to improve the financial situation of pensioners receiving no or only very little extra income. The monthly increase is calculated at DKR 71 for a single pensioner and DKR 77 for a married couple. The increase is to compensate for an estimated average pay increase of 8.8 % over the period covered by the agreement for 1987-89.

In April, the Employment Services and Unemployment Insurance Act was amended. Under the new rules, persons receiving a social pension qualify for unemployment benefit provided they have worked for 26 weeks within the last 18 months and unemployment benefit is payable without any time limit if the member (of an unemployment insurance fund) otherwise complies with the general entitlement criteria.

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Also in April, the same Act was amended so that long-term unemployed people whose employment ended before 1 July 1985 and who subsequently opted for training or assistance to set up in business qualify for unemployment benefit until 1 January 1988 even if they interrupt their course of training or cease having their own business.

Following tripartite negotiations, a political compromise, the "December solution" was reached, which comprised several measures. In April 1988, the period during which the employer is liable for sickness benefits will be reduced from five weeks to one. In July 1988, an extraordinary increase in pensions will take place, unemployment and early retirement benefits will be increased by 10 % instead of the planned 3 % and a new employers' contribution of 2.5 % of value added tax will be introduced as part of a general restructuring of employers' contributions.

Federal Republic of Germany

187. In April old-age pensions from the statutory pension insurance scheme, farmers pensions and cash benefits from the statutory accident insurance scheme were raised by 3.8 % by ministerial order. Taking into account the increase in the sickness insurance contribution paid by pensioners from 5.2 % to 5.9 % as of 1 July 1987, the actual increase in pensions thus amounts in most cases to just over 3 %.

The duration of unemployment benefit payments was extended by an Act entering into force on 1 July 1987, depending on length of contribution record and age (if 42 or over). The maximum duration is now 832 days, as for a contribution record of at least 1920 days and after attaining age 54. The ratio between the length of employment liable to contribution payments completed within the last seven years and the duration of unemployment benefit was thus reduced to 2 : 1, compared with the previous 3 : 1.

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According to an Act of 12 July, benefits in respect of child-care periods are to be granted to mothers born before 1921 irrespective of whether they draw a pension from the statutory pension insurance or not. Concern to safeguard the financial solidity of the insurance scheme meant that it was not possible to pay such benefits to all mothers born before 1921 immediately and thus the Act provides for the payment of these benefits in stages. The benefit amounts to annually 1.125 % of the relevant general assessment basis applicable for the computation of pensions. (1987 : about DM 27 per month.)

In the last quarter of the year, an agreement was reached to improve the benefits for people who need care at home starting in 1989. Such people will receive nursery help up to 25 days a month or will receive money to hire such helpers. The cost is expected to be DM 6.5 M per year, to be found by economising in other health areas.

Greece

188. Law No 1694 published on 13 March provides for an extension of the provisions of Law No 1505 of 1984 (system for calculating civil servants' salaries) and the system for calculating the amount of pensions to all civil servants and civil service pensioners.

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The said law introduces improvements to the legislation on the pensions of civil servants and employees of public institutions, local and municipal authorities, etc. The amount of the pension is calculated on the basis of the civil servant's wage at the time he leaves the civil service. A special calculation of the pension is provided for in the case of civil servants who die during their career, for those who are victims of terrorism as well as for members of the armed forces, employees of municipal and local authorities, prefects, railway employees, widows of civil servants (allocation of survivor's pension) and policewomen.

The provision which relates to the social security of wage-earners (IKA) is Article 36. Under this provision, municipal and local authority employees who work as street-cleaners, public lavatory attendants, gravediggers or refuse-collectors will retire at 58 instead of 60 (at 53 in the case of women). After building workers, this is the second category of wage-earners employed under private contract to secure this "privilege".

At the same time, the law provides for a 3.4 % increase in the contributions of workers in the above category.

On 1 May, the amounts of benefits under the general wage-earners scheme (IKA) were raised by approximately 1 %.

The Official Journal of 4 June announced that Greece had now ratified the Council of Europe convention which determines the legal status of children whose parents are not married.

In September, it was announced that minimum pensions would be increased by 4.5 %.

In November, the State Council decreed that social security is obligatory and that contributions have to be paid to the State or an organisation governed by public law. The creation by a bank of its own private scheme was thus over-ruled.

Spain

189. A Royal Decree of 16 January laid down the rules governing social security contributions for 1987, i.e. 28.8 % of earnings between a floor of PTA 49 170 and a ceiling of PTA 259 980 per month (24 % paid by the employer and 4.8 % by the employee).

In the field of health care management, an order of 26 January fixed the annual cost increase for hospitalization and out-patient care at 33 %. A National Health Institute has been set up to take over the running of centres, services and establishments not transferred to the seventeen Autonomous Communities. An order of 20 May 1987 abolished the need for administrative procedures necessary to obtain health care in the case of temporary visits away from the usual place of residence but still on national territory.

As regards reconversion or restructuring of enterprises, an order of 5 May determined the amounts which could be paid to workers affected, so as to ease their transition to retirement or in the form of extra-ordinary unemployment benefits and other urgent help for those in difficult financial circumstances.

A law of 9 June allowed the setting-up of occupational pension plans, run by pension funds independent of the employer.

In a plan of action lasting until 1990, the Ministry of Employment and Social Security set out its intention to present, after consulting the social partners and specialist organizations, a bill on non-contributory benefits for those at present outside the contributory system and shown as being in need. It is also planned to bring the lowest pensions up to the minimum wage, to improve and modernize health care and to simplify the social security scheme with a view to making it more understandable to the ordinary citizen.

France

190. More than ever, the year 1987 was marked by increasing concern at the growing social security deficit.

The Government decided to hold a series of debates referred to as the 'Etats Généraux de la Sécurité Sociale' whose deliberations should take account of three constraints:

- the ageing population,
- changes in types of employment,
- the opening up of Europe with the establishment of the single internal market in 1992.

The following schedule was fixed :

- a preparatory phase entrusted to a "Committee of Wise Men", which moreover resulted in a first set of measures analysed below ;
- a local (department level) phase in late June/early July;
- a national phase after the summer period.

The trade unions were reticent about the holding of these debates on the grounds that they would most certainly result in a reduction of established entitlements.

At the end of May 1987 the Government announced an emergency plan for social security :

- the insurance sickness contribution would rise from 5.50 % to 5.90 % while the employer's share remained fixed at 12.60 %;
- the old age insurance contribution paid by wage-earners, subject to a ceiling, would rise from 6.40 % to 6.60 %, while the employer's contribution remained fixed at 8.20 %;
- a levy of 0.4 % would be charged on taxable income for 1986;
- a levy of 1 % would be charged on income from liquid and fixed assets;
- the rate of VAT applicable to medicines would be reduced from 7 % to 5.5 %;
- the price of tobacco would increase by 2 % on 1 August 1987 and the product of this increase would be paid into the general social security scheme;

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- the Government has decided gradually to assume responsibility for expenditure in the psychiatric sector.

The negotiations between employers and trade unions on the introduction of a new unemployment insurance agreement, which will take effect on 1 January 1988, took place in October and November. Unless the rules were amended, the deficit in the system would be FF 4,000 million for each of the years 1988 and 1989 after a deficit of around FF 2,000 million in 1987.

The daily amount of the "specific solidarity allowance" has been increased :

- for unemployed persons of 55 years of age or more who can prove 20 years as a wage-earner
- and for unemployed people of 57 1/2 years of age or more who can prove 10 years as a wage-earner.

This allowance has been brought into line with the amount of the final "end of entitlement grant" paid to unemployed people of more than 55 years of age under the unemployment insurance system.

To remedy the shortcomings caused by the non-universal nature of the sickness insurance system, the government had a bill passed under the terms of which unsupported women of more than 45 years of age having had at least three children and without social security cover will have free and permanent entitlement to sickness insurance. As part of the same objective of providing cover for those who would be otherwise excluded, the Minister for Social Affairs has recommended that the sickness insurance funds and the ASSEDIC take steps to extend the entitlement of those who have been unemployed for more than a year and have no cover, that the communal social action centres process applications for medical assistance without conditions as to domicile and that the sickness insurance funds and the hospitals promote the entry of people without cover on the basis of "personal insurance". It provides subsidies for medical associations providing care for the disadvantaged.

Ireland

191. The Budget introduced in March 1987 provided for a 3 % increase in social welfare payments (with effect from July). Pay-related benefit payments were reduced to a new uniform rate of 12 %. The contribution conditions for disability, unemployment and maternity benefits were amended from requiring at least 26 weeks' contributions paid and at least 26 weeks paid or credited in the governing tax year to now requiring 39 weeks in each condition. For extended entitlement to disability benefit, the required number of paid contributions was increased from 156 to 208. The rate of payment under the Family Income Supplement Scheme was increased from 33 1/3 % to 50 % with effect from July. The Budget also provided for the extension of the Treatment Benefits Scheme to the dependent spouses of qualified insured persons in October. A charge of IR £ 100 in any one year has been introduced.

The income guidelines for medical cards to be applied for 1st January 1987 have been devised to reflect the increase in the consumer Price Index for the twelve months to mid-August 1986.

The European Court of Justice found that the Irish Government was in breach of the 1984 equality directive regarding unemployment entitlements for married women in the period between the applicability of the equality directive to Ireland in December 1984 and its actual implementation in May 1986.

The Programme for National Recovery agreed on 9 October sets targets for the reduction or removal of social inequities between now and 1990. The Government will maintain the overall value of social welfare benefits and within the resources available, will consider introducing greater increases specifically for those receiving the lowest payments. It has also decided to introduce pay-related sickness insurance for farmers and the self-employed in 1988, on the basis of income assessed for income-tax purposes. The Government

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is also examining what changes, if any, are required in the Social Welfare Appeals System in particular so as to ensure that the system is perceived to be fair. Following the recent improvements in the Family Income Supplement Scheme, a detailed study of the workings of the scheme will be carried out in order to identify any further adjustments that may be necessary. The Government also promises that measures will be taken to ensure closer liaison with voluntary organisations in the preparation and implementation of policies in the social welfare area.

On the health side, the Government has already set in train a major review of health policy in all its aspects with a view to determining the future direction of the delivery of health care. The Government fully accepts that such a review must be carried out in consultation with all interested parties.

A consultative document which raises and discusses the main issues regarding health care has already been published. This document and the various responses to it will form the basis of a major national conference. A major policy issue, discussed at length in the consultative document, is that in future the emphasis in health care will be on the development of primary health care, incorporating a positive approach to prevention of ill-health and handicap and the promotion of good health. This will involve a change from the traditional predominance of institutional care to community-based services.

In addition, a commission on the funding of the health services has been meeting for some months. The commission has been asked to make its recommendations as quickly as possible. The commission has also been asked to make recommendations on the extent and sources of the future funding required to provide an equitable, comprehensive and cost-effective health service.

Italy

192. The Decree-Law of 25 February 1987 amended a previous decree-law concerning the fiscalisation of social charges (sickness assistance contributions) with effect from 1 January 1987. Although not indefinite, the reduction will remain in effect until 30 November 1988. It has been confirmed moreover that the fiscalized contribution will be levied at a fixed amount which will be the same for both men and women.

The Law of 30 December 1986 introduced measures relating to the employment of immigrants from non-EEC countries. In Italy, these immigrant workers are entitled to social insurance benefits on the same basis as national workers.

The Decree-law of 17 January 1987 dealt with social protection for Italian workers employed in non-EEC countries or countries with which Italy has no bilateral or multilateral social security agreements.

The Law of 13 February 1987 finalised the arrangements for the early retirement of dock-workers (52 years of age with 15 years' contributions or over 52 years of age with 27 years' contributions).

The Law of 28 February 1987 on the reform of the employment placement system introduced, amongst other measures, reduced contributions for apprentices for one year with effect from the end of the apprenticeship and the conversion of the apprenticeship into an ordinary employment contract.

The Law of 6 March 1987 on divorce introduced entitlement to a survivor's pension for divorcees granted maintenance under their decree.

The bill for the reform of the pensions system in Italy was approved by the special committee of the Chamber of Deputies but the early dissolution of Parliament prevented the reform from being finally passed.

Many proposals concerning occupational pension funds for special categories of workers are also under scrutiny.

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More precisely, an agreement was reached on 28 July between the employers Federation and representatives of industrial managerial staff on occupational old-age benefits in addition to INPS and FIPDAI benefits with effect from 1 January 1988.

Faced with a dynamic economic situation likely to develop further in the course of 1988, the level of social protection remained more or less stable during the year as regards pensions and income supplement measures (unemployment benefit, wage supplement) whereas it improved as regards family benefits. However, the indicators are divergent as regards the efficiency of the service: payment of benefits in time, verification measures, cover by contributions.

There were two major developments in 1987 : the finance law which standardized the incomes ceilings taken into account for family benefits and the increases in the planned inflation rates (subsequently fixed at 6 % for 1987), and decree-Law No 882/1986 which raised by 67 % the incomes ceiling above which no allowance is granted for the first child. The Gorrieri bill seeking to standardize family measures and assistance measures obtained the approval of the trade union movement and was included in the package of provisions linked to the 1988 finance law.

The first of these two developments came about as a result of the 1983-1985 legislation which, by linking family allowances to income, had the effect of excluding 30 % of wage-earners and 9 % of those on pensions from entitlement to family allowances. In 1986 there was a further 22 % reduction in the cost of family allowances (spouse, children, parent, assimilated persons) as against a 20 % increase in the cost of supplementary allowances (underaged children). The reduction in the number of beneficiaries (1986 compared with 1985) is 55 % in the case of wage-earners and 10 % in the case of those on pensions. Expenditure actually committed therefore fell by some 46 %.

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The situation hardly seems to have improved in 1987 although a reversal of the trend was recorded during the year. Decree-Law No 886/1986 which gave concrete form to the government-trade unions agreement of 4 November 1986 increased the available financial resources by some LIT 400 billion, bringing the total commitment for 1987 to LIT 3 875 billion. The value of benefits in real terms has, however, only risen again to around 58 % of what it would be, were inflation taken into account.

The situation is the same as regards wage-earners in the public sector.

Luxembourg193. A. BenefitsUnemployment

- Increase in unemployment benefit from 80 % to 85 % for unemployed persons with dependent children
- Extension of the duration of benefits for unemployed persons of 50 years of age or more
- Increased benefits for unemployed persons having been obliged to abandon self-employed activity
- Possibility of cumulating, subject to certain limits, unemployment benefit with income from gainful occupational activity
- Granting of supplementary benefit for unemployed persons on community work schemes.

Special allowance for the severely handicapped

10 % increase in this special allowance from 1 June 1987.

B. Financing

Sickness insurance

Further application of contribution rates applicable in the period 1.7.86 to 30.6.87 for the period 1.7.87 to 30.7.88 with the exception of the increase in the standard rate of contribution toward the financing of cash benefits, which, for manual workers' sickness insurance funds, has been raised from 3.6 % to 3.7 %.

Special allowance for the severely handicapped

Expenditure resulting from the increase in this allowance will be borne by the State.

Netherlands

194. For the fourth consecutive year, the legal requirement to adapt the statutory minimum wage and the social security benefits to the changes in the price-index, has been set aside by a special law. For 1987 the amounts are frozen. The net benefits will nevertheless increase slightly as a result of a reduction of contributions and tax. Children's allowances are linked to the price index. Since prices have declined, the amounts of children's allowances have been reduced.

On 1 January, the New Unemployment Act (NWW) superseded the previous Unemployment Insurance Act (WW) and the Unemployment Provisions ACT (WWV). The main difference between the two former acts and the NWW lies in the duration of benefit payments. Under the NWW, benefit at 70% of the last wage is paid for between 6 months and 5 years according to the claimant's length of service/employment before unemployment and his or her age.

When this entitlement is exhausted, the unemployed will receive a subsequent NWW-benefit at 70 % of the statutory minimum wage for a further year, irrespective of the income of the unemployed person's partner, if any.

On expiry of the NWW-benefit, persons aged 50 years and over qualify for benefit under the Act on Income Provision for Older Unemployed People and Partially Disabled Unemployed People (IOAW), i.e., dependent on the family situation, 70, 90 or 100 % of the net statutory minimum wage.

As regards the General Disability Act (covering all residents) and the Act on Disability Insurance (covering employees only), the unemployment component, i.e. taking into account of availability of work when establishing the degree of disability, has been eliminated from these schemes. As a consequence of this measure, persons under 35 who had been receiving invalidity benefits before 1 January 1987 will undergo a new medical examination within 2 years, which may result in the fixing of a lower disability rating.

The Supplements Act has been introduced to prevent recipients of unemployment, invalidity or sickness benefits dropping below the minimum social income. The Act provides for inadequate incomes to be made up accordingly.

Furthermore it is noted that in the National Assistance Act and the General Old Age Pensions Act, the principle of equality of treatment between married and unmarried persons (also 2 men or 2 women living together) was introduced on 1 January 1987.

The Act on Income Provision for Older and Partly Disabled Former Self-Employed Persons (IOAZ) entered into force on 1 July 1987 with retroactive effect from 1 January 1987. The Act resembles the IOAW mentioned above and provides for benefits at a level of the net statutory minimum wage (70, 90 or 100 %) in respect of older and partially disabled former self-employed persons who are forced to terminate their business or occupation.

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Towards the end of the year, a proposal was introduced to freeze the minimum wage and social expenditure in 1988.

The second chamber also approved a law permitting beneficiaries to perform unpaid work, with control commissions to ensure that this does not lead to a reduction in job opportunities. New legislation is being considered on old age pensions, particularly to solve the problems of those persons who receive no pension or only a partial one.

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Portugal

195. The self-employed were given the right to sickness and maternity insurance cover under a Decree-Law of 28 February. Young people of 18 to 25 years of age looking for work and certain persons unemployed for more than a year were given the financial aid to become self-employed in fields outside the liberal professions. A Decree-Law of 31 March established a non-contributory cash benefit for young people looking for work, subject to a family means test and registration at an employment centre. They will have priority in job programmes and for occupational training.

In the Budget for 1987, it was laid down that the minimum benefits in the general social security scheme and in that for agricultural workers would be increased simultaneously and at the same rate as increases in the minimum wage. In effect, on 18 February, the following amounts were decreed as minima :

national wage minimum : ESC 25 200

minimum wage of agricultural workers : ESC 22 400

minimum wage of domestic servants : ESC 17 000.

A Decree-Law of 17 June 1987 changed the conditions of eligibility for sickness benefits and their method of calculation. The daily value of benefits is 65 % of R/180 where R is the total earnings recorded during the first 6 months of the 8-month period preceding the sickness. Henceforward, the self-employed, who previously had to wait 91 days before receiving these benefits, may now do so after 61 days.

During November, the Government decided to raise pensions by between 10 and 16 % in nominal terms, or 3 and 7 % in real terms.

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United Kingdom

196. After the major reforms introduced by the 1986 Social Security Act, 1987 was a year of some consolidation and the beginning of implementation of the reforms. Social security benefits were increased in April, to coincide with the tax year, by 2.1 %. As concerns occupational pensions, an order was made so that contributions to occupational pension schemes be postponed to 1 July 1988, when people not already in a contracted-out pension scheme will be able to have a contracted-out personal pension.

The year started, however, with great public dissatisfaction with the existing system of making single payments for extra fuel costs during exceptionally severe weather, prompted by the arctic conditions in January. A new system was therefore introduced, easing to some extent the conditions under which the payment may be granted. Regulations were also introduced to ensure that children leaving school early will not be entitled to receive supplementary benefits. Following a DHSS review of benefits payable to people in residential care and nursing homes, benefits were increased in April.

The rates of Statutory Sick Pay were increased from 6 April, when the former three bands were replaced by two. Pregnant women can receive Statutory Maternity Pay for which employers can be compensated. Family Income Supplement rates were increased from 7 April : all benefits under the scheme will terminate from 11 April 1988 when the new Family Credit is introduced.

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In fact, much activity took place this year preparing for the changes to take place in 1988. Draft regulations for the new Housing Benefit Scheme were circulated to local authorities for comment. All households on income support will be entitled to maximum assistance. The income test rules are identical to those used for income support and family credit. The ownership of capital will affect entitlement and though the maximum help with rents is to be 100 %, that for domestic rates will be limited to 80 %. Draft regulations were also circulated on occupational pensions covering personal pensions, voluntary contributions to occupational pension schemes, supply of information to scheme members, the setting up of industry-wide occupational schemes, transferability of pension rights and investment protection arrangements. It was also announced that the age for receiving occupational pensions is to be reduced from 60 to 55, after which age unemployment benefit will be cut by the amount by which the occupational pension exceeds UKL 35 a week.

Drafts of the proposed direction and guidance on the Social Fund were circulated. Proposals include budgeting loans of UKL 30 to UKL 1000 to help meet important intermittent expenses, crisis loans of UKL 5 or more to meet expenses in an emergency and community care grants of UKL 500 per person or UKL 750 per couple plus UKL 220 per child to people on income support to help them re-establish themselves. The necessary regulations were made on 20 November 1987.

At the end of the year, the Government announced an emergency extra UKL 100 million for the National Health Service, following criticism from the Health Service professions and media attention to a continued postponing of a child's heart operation. The Government embarked on an internal review of health service funding.

Chapter IX

HEALTH AND SAFETY AT WORK

Trends in the Community

197. At Community level, the process of bringing national laws and regulations into line with Community law in the field of health and safety at the workplace is continuing and intensifying.

It should also be noted that in a number of Member States studies are being conducted aimed at measuring the quantitative growth of industrial accidents and occupational diseases in some sectors so as to be able to draw useful lessons as regards prevention.

Lastly, the development of the French experiment in financial incentives for prevention deserves attention in view of its interest to heads of firms.

Development of the situation in the Member StatesBelgium

198. The law of 21 January concerns the risks of major accidents in certain industries, the prevention of major accidents that might occur in certain industries and limitation of the consequences for man and the environment. Its aim is also to complete the incorporation of Directive 82/501/EEC into national law.

Two Royal Decrees of 10 September 1987 (Official Gazette of 23 and 26 September) dealt with protection against asbestos. The first amends the General Rules on protection at work (RGPT) and the second the Royal Decree of 28 August 1986. The two of them bring Belgian law into line with Directives 76/769/EEC and 83/477/EEC.

The Royal Decree of 17 September 1987 modifies the field of application of certain provisions of title III of the RGPT and rescinds Article 319 of the same, which is of a purely technical nature (Official Gazette of 2 October 1987).

The Royal Decree of 6 October 1987 amends and completes the general regulations on protection at work in the matter of dangerous substances and preparations in line with Directive 86/431/EEC of 24 June 1986 adapting Directive 67/548/EEC on the packaging, classification and labelling of dangerous substances.

The European Commission decided to institute proceedings against Belgium at the European Court for its failure to take the necessary measures (health and protection measures, medical surveillance) to conform with Council Directive 80/1107/EEC of 27 November 1980 on the protection of workers from risks connected with exposure to chemical, physical and biological agents. The Royal Decree of 20 November 1987, adopted "in view of the urgency caused by the need to conform to the Directive without delay", introduced into the general regulations on protection at work a Chapter relating to the protection of workers from risks connected with exposure to chemical, physical and biological agents. The purpose of this decree is to implement Directive 80/1107/EEC.

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The decree contains a large number of important provisions, such as:

- essentially preventive measures (introduction of technical prevention measures, limitation of number of workers exposed, etc.);
- collective protection measures (health measures, etc.);
- worker information measures (relating in particular to the potential risks and preventive measures);
- medical surveillance measures.

The decree provides for the involvement of the members of Health and Safety Committees in the application of the new provisions.

Denmark

199. An exhaustive report published by the Work Environment Fund summarizes the scientific knowledge relating to cardiovascular disease of occupational origin. In Denmark the occupational factors most likely to cause such disease are work without physical activity, shift work or other types of unsatisfactory working hours, extremely monotonous and routine work, passive smoking, noise and lead poisoning.

Federal Republic of Germany

200. The main purpose of safety at work provisions is to protect the health of the workers. Over the last hundred years or so a body of regulations and provisions has been introduced for the purpose of preventing industrial accidents and occupational diseases. The greatest risks were and are those caused by chemical and physical (e.g. noise) factors. Today's elaborate system of public and sectoral safety regulations is monitored by external bodies (State inspectorates and sectoral associations).

Safety at work in the Federal Republic today has a dual purpose: it must both improve the way in which "old" problems are dealt with and deal with "new" problems. As a result, a considerable number of changes and innovations in terms of health and safety protection at work were made in 1987, as in other years. In 1987 furthermore, the Federal Ministry of Labour and Social Affairs published a guide aimed at industrial safety officers, employers, members of works councils and employees,

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which is designed to improve protection against accident and illness at the workplace.

A positive trend, which has continued in recent years, is that the number of fatal occupational accidents continues to decline. This is the most significant fact to emerge from the 1986 accident prevention report, which the Federal Minister submitted in 1988. According to this report the number of fatal accidents at work dropped by 159 compared with the previous year. This is a reduction of 14.4 %. The number of fatal road accidents dropped by 7.8 %. Nevertheless, in 1986, 1 536 employed persons lost their lives at their place of work, and 766 on the way to work. In 1971, nearly three times as many people suffered fatal accidents related to their occupation. Since then fatal occupational accidents have steadily declined.

In 1986, the total number of occupational accidents, i.e. at work and on the way to work, stood at 1.75 million, which was an increase of 2.1 % over the previous year. This was due mainly to the fact that the volume of work produced rose in 1986: there was a 3.5 % rise in the number of hours worked, and 400 000 people more were in employment.

In 1986, the number of new cases of occupational disease subject to payment of compensation fell by 192, to 3 779 i.e. a drop of 4.8 % compared with 1985. The number of new cases subject to payment of compensation, with fatal consequences, however, rose by 264. Nearly half of these (103) were due to asbestos-related cancers. The cause of this disease goes back some 20 to 30 years. The deaths occurring today in other words are due to the careless way in which people worked with asbestos at the time.

The drop in fatal occupational accidents and diseases in general is the result, not just of stricter regulations, but also of a greater awareness on the shopfloor; witness the appointment and training of the approximately 60 000 industrial safety officers currently employed, as well as some 11 000 medical officers. They have an important part to play in recognizing and preventing dangerous situations at work.

Greece

201. A Presidential Decree adopted in July requires all firms with more than 150 employees to have a safety officer and a company doctor. The Decree specifically lays down, for each type of firm, the number of hours of attendance and the qualifications required, especially those of the safety officer.

On 22 October the Minister of Health announced the broadening of the scope of law No 1568/85 on the health and safety of workers to include firms with less than 150 employees.

On 13 October 1987, the Minister of Labour stated that out of a total of 552 firms employing more than 150 people, 475 employed a safety technician (85 %) and 413 a company doctor (75 %) while only 150 (27 %) had works health and safety committees.

International Labour Convention No 119 on protection against accidents caused by machines was ratified. In this connection, it should be mentioned that between January and September 1987 there were 55 fatal accidents amongst wage-earners and 11 fatal accidents amongst the self-employed (1 fatal accident every four days) broken down as follows :

in the building sector 16 (+ 9 self-employed), in the public works sector 14 (+ 2 self-employed), in industry and trades 15, in dockyards 1, in miscellaneous activities 9.

In 1986 there were 37 000 industrial accidents, 114 of which were fatal.

Spain

202. A report published by the Ministry of Labour in May 1987 ("Coyuntura Laboral", issue No 18) on accidents at work over the last ten years reveals a number of interesting facts. The most obvious is perhaps the sharp decline (in absolute terms) in the overall number of such accidents.

This optimistic finding nevertheless needs to be qualified given that the number of fatal and serious accidents has also certainly fallen considerably, but less sharply. Taking a figure of 100 for 1977, the indices are respectively 87.5 and 75.2 for 1986, i.e. 10 457 serious accidents and 1 102 fatal accidents in 1986 in absolute terms as against 11 960 serious accidents and 1 466 fatal accidents in 1977.

Qualifying this favourable trend even further, the study stresses the need to double-weight the figures given by taking account of the sharp drop in the non-self-employed working population and the change in the distribution of the working population by sector of activity, which is shifting from sectors in which accidents are most numerous to less dangerous sectors. Weighting the figures in this way reveals a slight improvement in accident prevention over the reference period with a trend towards stabilization.

The accident figures for the first four months of the year confirm the trend towards stabilization, although they are worse in absolute terms as the number of serious and fatal accidents increased slightly as compared with the corresponding period in 1986. These figures should also be weighted to allow for the effect of the fluctuation in the number of non-self-employed workers, which is running counter to that observed over the past decade.

France

203. At the moment, the regional sickness insurance funds may grant refunds on industrial accident contributions to firms which have taken steps to prevent accidents.

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Following a parliamentary amendment, the law of 27 January 1987 laying down various social measures provides for a system of advances to firms in an attempt to offer greater incentives for accident prevention.

It became apparent that the refund system was substantially underused, with less than 300 firms benefiting from it in 1984 for a total amount close to 10 % of the sums theoretically available for refunds. Lastly, the refunds can only be granted a posteriori.

Firms will have to subscribe to the conditions of an agreement laying down objectives for their own sector and an accident prevention programme. The agreement, which will be underwritten by the regional fund, will be approved in advance by the national sickness insurance fund for employed persons.

The advances may be acquired by the firms under the conditions laid down in the agreement setting out the objectives, e.g. by converting a contribution into a refund.

The law of 27 January 1987 now makes it possible for an employer to insure himself, as far as industrial accidents are concerned, against any financial consequences of inexcusable negligence on his part. The law at the same time amends the additional contribution mechanism to take account of this new type of insurance. The aim was to put an end to the difference in treatment of large and small firms.

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Hitherto, an employer could not insure himself against the consequences of his own inexcusable negligence, though he could against those of inexcusable negligence on the part of persons to whom he had delegated powers. However, the head of a small firm often does not have anyone to whom he can delegate powers. It was basically to put an end to this difference in treatment that an amendment to introduce this type of insurance was put forward in Parliament and approved by the Government.

Under the terms of Article 63 of the Law of 30 July the Minister of Labour is empowered to specify, by way of an order, the technical safety standards applicable to machines and dangerous products and, where appropriate, make some of them compulsory. The said Article provides for a system of reference to technical safety standards which counteracts the uncertainty associated with the application of technical requirements for machinery resulting from the insufficiently specific nature of the rules laid down by law and regulation. Its sole aim is provide an incentive. Suppliers of machines and equipment will not be required to conform to standards, but will have the benefit of a guarantee if they do.

The temporary importation of equipment and products that do not meet the requirements of the technical standards in force is authorized for the purposes of display at trade fairs and exhibitions, provided that a sign warning of their non-conformity is placed nearby.

Ireland

204. The amendments to the regulations implementing the Dangerous Substances Act 1972, which governs the carriage of dangerous substances by road, came into force on 1 January 1987. The new regulations redefine dangerous substances. The previous nomenclature has been replaced by a classification drawn up on the basis of the characteristics of the substances rather than their name. The classification methods used are taken from the European Agreement concerning the International Carriage of Dangerous Goods by Road.

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The new Minister for Labour announced that he had asked his departments to give priority to the completion of a bill on safety and health at work implementing the recommendations of the Commission on Safety, Health and Welfare at Work (Barrington Commission) in its 1983 report. The Interim Board for Occupational Safety and Health is advising on the development of the legislation and is also considering the transitional arrangements to be made for the adoption of the new system.

The Minister for Labour informed Parliament of his intention to bring forward the legislation as soon as possible.

The Safety, Health and Welfare (Offshore Installations) Act was approved by Parliament. It lays down a new framework for the safety and protection of offshore installation staff involved in prospecting for mineral resources and their exploitation in the State's territorial waters and in certain zones outside them. Implementing regulations which are now being drawn up will be adopted in respect of certain specific aspects of the safety of the workers. Application of the law will be supervised by the Ministry of Labour's industrial inspectors.

The regulations on safety training in mining which came into force on 1 April 1987 are a particularly noteworthy piece of legislation in that they lay down the training measures to be taken as regards the health, safety and welfare of those employed in mining.

The Regulation (S.I. No 204 of 1987), which entered into force on 31 August 1987, implements Council Directive No 85/467/EEC of 1 October 1985 and imposes new restrictions on the marketing and use of polychlorinated biphenyls (PCB) and polychlorinated terphenyls (PCT). It also requires that equipment and installations containing PCB and PCT bear instructions concerning the disposal of the substances.

The Regulation (S.I. No 205 of 1987), which entered into force on 1 June 1987, implements Commission Directive No 86/508/EEC of 7 October 1986 amending Annexes I and II to Council Directive No 77/728/EEC of 7 November 1977.

The amendment made to Annex I replaces the reference number of the ISO standard "ISO 6713/1980" contained in Explanatory Note No 6 by "ISO 6713 - 1984".

The amendment made to Annex II lays down that labelling on the packaging of paints and varnishes with a lead content in excess of 0.25 % must contain a warning as to the presence of lead in the paints or varnishes.

Italy

205. The number of accidents at work is decreasing in the industrial sector but increasing in agriculture. The levels of occupational diseases are fluctuating, though still very high.

Skin diseases are particularly numerous and, in 1985, accounted for 71 % of cases of temporary disablement, with compensation being paid to 1 470 persons. Impaired hearing and deafness caused by noise account for 54 % of the total number of persons permanently disabled (7,869), followed by cases of silicosis (1,541), bronchopneumopathic afflictions (655) and osteoarticular and angioneurotic diseases (396). It should be remembered that, according to the WHO, the population of Europe should be effectively protected by 1995 against hazards associated with their working environment.

Two aspects of current problems regarding working environment need to be emphasized :

the health and working conditions of users of visual display units and the harmfulness and hazards associated with this kind of work which is becoming increasingly common;

the recording of industrial activities that involve high accident risks (fire, explosion, hazards inherent in dangerous substances).

Luxembourg

206. Grand Ducal Regulation of 19 January 1987 on the control of plant-protection products.

Grand Ducal Regulation of 22 January 1987 laying down penalties for the infringement of the provisions of Council Regulation 3820/85/EEC of 20 December 1985 on the harmonization of certain social legislation relating to road transport.

Ministerial Regulation of 26 January 1987 on the requirements to be met by the packaging and labelling of plant-protection products (Official Gazette A 1987, p. 49).

Grand Ducal Regulation of 29 January 1987 implementing and laying down penalties for infringement of the provisions of Council Regulation 3821/85/EEC on recording equipment in road transport.

Law of 25 March concerning the classification and labelling of dangerous preparations (solvents) and amending the Law of 18 May 1984 on the classification, packaging and labelling of dangerous substances (Official Gazette A 1987, p. 290).

Reference should also be made to a series of regulations, inter alia, adopted in 1986 but not included in this year's social report : Ministerial Regulation of 11 February 1986 supplementing the list attached to the Ministerial Order of 2 June 1961 officially recognizing and classifying explosives.

Grand Ducal Regulation of 26 June 1986 amending the annex to the Law of 11 March 1981 regulating the marketing and use of certain dangerous substances and preparations and Grand Ducal Regulation of 26 June 1980 on the disposal of polychlorinated biphenyls and polychlorinated terphenyls (Official Gazette A1 1986 p. 1555).

Coordinated text of 11 August 1986 of the Grand Ducal Regulation of 26 June 1980 on the disposal of polychlorinated biphenyls and polychlorinated terphenyls, as amended by the Grand Ducal Regulation of 26 June 1986.

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Ministerial Regulation of 30 September 1986 prohibiting the use of equipment, installations and fluids containing or contaminated by polychlorinated biphenyls and polychlorinated terphenyls.

Netherlands

207. 1 August saw the entry into force in the Netherlands of a new regulation on the protection of workers against noise. Noise levels in excess of 80 dB (A) are defined as harmful to health. Above a level of 85 dB(A), the employer is obliged to take measures to limit the noise where reasonably possible, and to provide workers with appropriate protection.

During the year, a study was carried out by the "Collective Department on Working Conditions" which analyses 49 collective agreements from the point of view of health and safety. In the case of 38 of these agreements, the law on working conditions was already being applied, thus covering 1 627 000 workers or 72 % of those subject to collective agreements. All collective agreements applying to firms with 10 000 workers or more were studied. The rules of the collective agreements may be general and/or specific in their application. The most commonplace relates to medical examinations other than those carried out at the time of recruitment.

At the request of the Ministry of Social Affairs and Employment, the "Institute for Social Research", carried out research into the impact of new working methods on the safety, health and wellbeing of workers. It emerges from this study, which draws on both Dutch and foreign literature, that when the working week is reduced to four 9-hour days, the risk of accidents at work increases owing to fatigue. It also emerges from Canadian and American experience that the lack of social contact after work due to later arrival at home gives rise to an increasing number of complaints.

United Kingdom

208. In December the Government issued draft regulations on noise at work, drawn up in response to the EC Directive, for implementation from 1 January 1990 ('Prevention of Damage to Hearing from Noise at work', HMSO). The regulations have been published as a consultative document, and cover trainees and the self-employed as well as employees.

Meanwhile, there has been some further comment on the evidence of deteriorating safety standards in manufacturing industry. An analysis from the Health and Safety Executive ('Occupational Accident Statistics 1981-85', Department of Employment Gazette, January 1985) notes the increase in the 'major injury' rate per 1,000 employees in every sector and also the increase in the absolute number of injuries in all sectors except metal manufacture. The study points to a series of different factors, including the replacement of experienced workers with less skilled people (food manufacturing) and a increase in the number of smaller workplaces (woodworking). Several recent studies have also identified subcontracting as leading to a decline in safety standards.

Chapter X

Health Protection

Radiation protection legislation

209. In 1987 the Member States continued the procedures for application of Council Directive 84/467/Euratom of 3 September 1984 amending Directive 80/836/Euratom of 15 July 1980 on the basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation.

They also continued the procedure for the application of Council Directive 84/466/Euratom of 3 September 1984 laying down basic measures for the radiation protection of persons undergoing medical examination or treatment.

210. The following regulations, concerned mainly with measures to implement or supplement the basic provisions on radiation protection, have come into force or have been published in the Member States since the last Report on Social Developments (1986) :

Denmark

Order on dose limits for ionizing radiation, 10 December 1986, published in : ovtidende A 1986 - Hæfte 98, N 824, 3279.

Federal Republic of Germany

Law on precautionary measures for the protection of the general public against exposure to radiation of 19 December 1986, published in : Bundesgesetzblatt 1986, Part I, p. 2610 N° 69.

Order on protection against the dangers of X-rays (X-ray Order) of 8 January 1987, published in : Bundesgesetzblatt 1987, Part I, p. 114.

Order on radioactive pharmaceuticals and pharmaceuticals treated with ionizing radiation (AMRADV) of 28 January 1987, published in : Bundesgesetzblatt 1987, Part I, p. 502.

France

Decree N 86-80 of 13 January 1986 amending the Public Health Code in respect of artificial radioelements.

Draft Decree amending the Decree of 28 April 1975 on the protection of workers against the danger of ionizing radiation at basic nuclear installations.

Draft Decree amending the Decree of 20 June 1966 on the general principles of radiation protection.

Luxembourg

Grand Ducal Regulation of 12 February 1986 amending the amended Grand Ducal Regulation of 8 February 1967 pursuant to the Law of 25 March 1963 on the protection of the general public against the dangers of ionizing radiation.

Grand Ducal Regulation of 17 February 1987 issued pursuant to the Law of 10 August 1983 on the medical use of ionizing radiation published in : J.O. A N° 16 p. 201.

Netherlands

Decree of 10 September 1986 in implementation of Articles 28 to 32 inclusive and amending Article 34 of the Nuclear Energy Law (Radiation Protection Decree/Nuclear Energy Law), published in Staatsblad 1986, p. 465.

211. The Commission gave its opinion, pursuant to Article 33, paragraph 4, of the Euratom Treaty, on the following regulations and draft regulations :

Belgium

Royal Decree of 16 January 1987 amending the General Regulation on the protection of the general public and workers of 28 February 1963, published in : Moniteur Belge, 12 March 1987.

Royal Decree of 11 February 1987 amending the General Regulation on the protection of the general public and workers of 28 February 1963, published in : Moniteur Belge, 12 March 1987.

- circulars of 3 October 1986 concerning the application of Directive 84/466/Euratom, published in : Moniteur Belge 1987, p. 5211.

United Kingdom

Draft ionizing radiations regulations (protection of persons undergoing medical examination or treatment).

Radiation protection measuring techniques

212. The emphasis in the Member States has been on the improvement of measurement techniques for monitoring internal and external exposure and environmental radioactivity. Besides, the Council Directive laying down basic measures for the radiation protection of persons undergoing medical examination or treatment has led to a number of special measures aimed at ensuring and monitoring the quality of equipment and methods.

In Denmark, measurements were made of exposure resulting from natural and artificial sources. Radon is responsible for half the total exposure.

In the Federal Republic of Germany adoption of the X-ray Order was followed by the implementation of a series of technical measures to monitor medical installations. The entry into effect of the Law on precautionary measures for the protection of the general public against exposure to radiation led to intensified measures to monitor environmental radioactivity.

In Italy priority has been attached to measuring intake. Quality control has been introduced for personal dose measurements services.

In the Netherlands too the emphasis has been on environmental monitoring and on radon measurement in dwellings.

In the United Kingdom, new plastic detectors have been used for radon measurements at the workplace and for neutron dosimetry.

Environmental radioactive contamination

213. Under the terms of Article 35 and 36 of the EURATOM Treaty, Member States are required to undertake certain environmental monitoring tasks and to communicate the results to the Commission. In the past such results have reflected the original concern with the widespread, relatively uniform fallout from nuclear weapons testing and as the significance of such fallout has reduced so has the corresponding monitoring programme. Such results cannot reflect either the intensive monitoring programme undertaken following the very heterogeneous contamination from the Chernobyl accident or the importance of environmental monitoring around nuclear installations.

It has, therefore, been agreed that the results communicated will be extended in scope to cover these factors; moreover the data will be stored in a computerized data bank which will be designed on the basis of a bank established to contain all scientific data relevant to Chernobyl and accessible to Member States. The Commission's periodic summary reports will be amended accordingly.

Meanwhile, on the basis of information already available, foodstuffs contamination in 1987 resulting from the Chernobyl accident is in general now far below the limits introduced in Council Regulation 1707/86. Only in a few particular areas of the Community and for a very limited number of foodstuffs have levels remained relatively high. Strict monitoring of such foodstuffs is still being carried out in all Member States, even though, since they constitute only a minor fraction of the total diet, only a correspondingly small amount of contamination is liable to be ingested.

Radioactive effluents

214. Under the terms of Article 37 of the EURATOM Treaty the Commission must issue an opinion on the risk of contamination of neighbouring Member States which might result from any plan for the disposal of radioactive wastes. In 1987 opinions have been issued on nuclear power stations under construction at :

HEYSHAM (UK)	NOGENT SUR SEINE (France)
TORNESS (UK)	ISAR II (FRG)
BELLEVILLE (France)	EMSLAND (FRG)

Contrary to earlier practice, the Commission's policy since the beginning of 1987 is to publish all such opinions in the Official Journal.

In support of the Article 37 work, a review of the "Methods used for fixing discharge limits for radioactive effluents from nuclear installations in the Member States" has been prepared and is now in press.

Radon exposure

215. It has become increasingly clear in recent years that radiation exposure of the population due to the build-up of radon in dwellings can be a highly significant component of the total exposure from natural radiation and in extreme cases may even raise the question of appropriate countermeasures. Consequently the majority of Member States have conducted or are conducting national surveys and, a considerable

volume of results having already been generated, a report (1) has been prepared and published under the auspices of the group of experts appointed pursuant to Article 31 of the EURATOM Treaty to advise the Commission on radiation protection matters.

This report reviews the nature of the hazard, specially developed assessment techniques, the results obtained in the Member States, possible countermeasures where appropriate, the current regulations situation and the recommendations from various scientific bodies.

(1) Exposure to natural radiation in dwellings in the European Community. CEC - DG V/E - Luxembourg - May 1987

Transmittable diseases : AIDS

216. Since the beginning of the epidemic there have been approximately 57,000 cases of AIDS throughout the world (WHO data, end of June 1987. In the European Community 6242 cases have been reported. The following data show the breakdown of cases reported to the World Health Organization as at 30 June 1987 (1).

Country	Number	Rate/million population
Belgium	255 (2)	25,8 (2)
Denmark	176	34,5
Federal Republic of Germany	1133	18,6
Greece	49	4,9
Spain	508	13,2
France	1980	36,0
Ireland	19	5,3
Italy	870	15,2
Luxembourg	7	17,5
Netherlands	308	21,2
Portugal	67	6,5
United Kingdom	870	15,4
TOTAL	6242	19,4

(1) Source : WHO Collaborating Centre in AIDS

(2) 162 cases concern non-residents. Accordingly, the high number of cases and the high rate do not reflect the real situation in this country.

The increase was greatest in Spain and Italy. Moreover, the highest rate per million population was recorded in France and Denmark.

As regard breakdown between risk groups (homosexuals or bisexuals, drug addicts, haemophiliacs, recipients of blood transfusions), it should be noted that drug addicts account for a growing percentage of cases, and now make up 17% of the total. This trend is particularly evident in the Member States of Southern Europe (Spain and Italy).

171 paediatric cases (3) were reported to the European Community as at 30 June 1987. In these cases, transmission from mother to child constitutes the main route of infection.

On the basis of a doubling time estimated at 9.8 months (4), 45,000 cases of AIDS are forecast for June 1989. However, the doubling time is increasing slightly and so this forecast may be a little on the high side. This forecast also shows that three countries (France, Spain, Italy) may have over 10,000 cases in June 1989.

(3) Paediatric cases : children of less than 15 years

(4) Doubling time : the time required for the number of cases of AIDS to double.

Cocaine

217. The seizure of cocaine in Europe doubled between 1982-1986.

In the Federal Republic of Germany a fivefold increase was noticed and the quantities of cocaine seized were larger than those of heroin. Consumption figures show that the market is expanding. Spain, Italy and the Netherlands also reported considerable increases. Transport routes and smuggling of cocaine from producing countries to Europe depend largely on the transport facilities by air and by sea. The body of the carrier (cocaine is swallowed in condoms) is commonly used in the contraband.

Cocaine smuggling is mainly performed in container transport. Organized crime frequently supported by highly positioned friends, control the cultivation, management and trade.

Most of the narcotic drugs abused in Western Europe are trafficked to the region from abroad. Cocaine supplies are trafficked from South America although some refining operations have been detected in Western Europe. On the other hand in the Philippines and Indonesia some coca plants have been detected. It is thus likely that- as result of the increasing supply control activities in the South America Region- production of coca in the South East Asian region is becoming a more and more feasible activity.

Crack has been reported in Italy, Spain, Germany, France, U.K. and the Netherlands. However no considerable seizures of crack have been made yet. The results of a pilot cocaine abuse "snowball sampling" in Rotterdam, Munich and Rome will be available at the end of 1987. The need for a European Clearing House on Drug Abuse for the collection, exchange and dissemination of studies and research on drug abuse, including abuse of cocaine, has been strongly felt by many European experts in 1987.

The use of cocaine in the European Community countries remains problematic and as a matter of fact is now of greater concern than any other psychoactive substance. Clinical studies of comparative cocaine users (based on hospitalized samples) showed in almost all cases a variety of acute psychological and somatic symptoms on admission.

Particular attention has to be drawn to the deleterious effects on general health, including malnutrition and increased susceptibility to infections and infectious diseases such as tuberculosis and AIDS.

The economic aspects of increased cocaine production and distribution are of great importance. Initially, this reflected rising demand in North America but now also in Western Europe. However producer countries that expand production to meet demand from elsewhere are themselves at serious risk of becoming consumer countries and developing domestic problems.

In order to improve the knowledge in the coming years some points have to be emphasized.

- 1) Seizures cannot be taken alone as an indicator but must be interpreted in view of other information. It should not be assumed that indicators of other drugs (e.g. heroin) are appropriate for cocaine.
- 2) Although cocaine use appears to be increasing, the prevalence and patterns of consumption are unknown. Outreach methods, such as snowballing and hotline data are essential, as is an information system for synthesising data from different sources.
- 3) It is essential to distinguish different patterns of use (especially occasional compulsive) and different groups of users. This requires both quantitative epidemiological data and qualitative data on the nature and consequences of cocaine use.

In some Member States, strategies and services had evolved to treat and rehabilitate heroin addicts. These responses also reached poly-drug users who used heroin. However cocaine users including many who are involved in relatively heavy use, do not see themselves as in need of, or as suitable candidates for, the services on offer. There is a basic need for outreach activities in general, and for rapidly accessible, confidential contact points, such as hotlines, in particular.

The Netherlands has started a hotline for cocaine abuse in Amsterdam after a first try-out had been abandoned.

All Member States have continued to focus strongly on the aspects of prevention vis-à-vis hard drugs. However, no specific actions in the field of demand reduction vis-à-vis cocaine have yet been taken.

C. STATISTICAL APPENDIX

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- II. - Education
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I. Population

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12	
1. Total population														
a) 1.000 - annual average or 30 June														
1970	9.638	4.929	60.651	8.793	33.779	50.772	2.950	53.822	340	13.039	9.044	55.632	303.388	
1980	9.847	5.123	61.566	9.643	37.386	53.880	3.401	56.434	365	14.150	9.909	56.314	318.018	
1981	9.852	5.122	61.682	9.729	37.751	54.182	3.443	56.508	366	14.247	9.855	56.379	319.116	
1982	9.856	5.118	61.638	9.789	37.961	54.480	3.483	56.638	366	14.313	9.930	56.335	319.909	
1983	9.856	5.114	61.423	9.850	38.173	54.729	3.508	56.836	366	14.367	10.009	56.377	320.608	
1984	9.855	5.112	61.175	9.896	38.387	54.947	3.529	57.005	366	14.424	10.089	56.488	321.273	
1985	9.858	5.114	61.024	9.935	38.602	55.170	3.540	57.141	367	14.492	10.157	56.618	322.018	
1986	9.861	5.120	61.066	9.966	38.668	55.392	3.541	57.246	368	14.572	10.208	56.763	322.771	
b) Average annual increase as %														
1970/80	0,2	0,4	0,1	0,9	1,0	0,6	1,4	0,6	7,4	0,8	0,9	0,0	0,4	
1980/81	0,1	- 0,0	0,2	0,9	1,0	0,6	1,2	0,2	0,3	0,7	- 0,5	0,1	0,3	
1981/82	0,0	- 0,1	- 0,1	0,6	0,6	0,5	1,2	0,2	0,0	0,5	0,8	0,1	0,3	
1982/83	0,0	- 0,1	- 0,3	0,6	0,6	0,5	0,7	0,3	0,0	0,4	0,8	0,1	0,2	
1983/84	0,0	- 0,0	- 0,4	0,5	0,6	0,4	0,6	0,3	0,0	0,4	0,8	0,2	0,2	
1984/85	0,0	0,0	- 0,2	0,4	0,6	0,4	0,3	0,2	0,3	0,5	0,7	0,2	0,2	
1985/86	0,0	0,1	0,1	0,3	0,2	0,4	0,0	0,2	0,3	0,6	0,5	0,3	0,2	
c) By age groups as % - end of the year														
0-14 years	1970	23,6	23,1	23,1	24,6	27,9	24,7	31,2	24,4	22,0	27,2	28,8	24,0	24,8
	1980	20,0	20,6	17,8	22,5	25,7	22,3	30,4	21,7	18,6	22,1	25,5	20,8	21,5
	1984	19,0	18,6	15,3	21,1	23,6	21,3	29,6	19,6	17,3	19,7	23,8	19,4	19,8
	1986	18,6	17,9	14,7	.	22,3	20,8	29,0	18,4	.	18,8	22,7	19,1	.
15-64 years	1970	63,0	64,5	63,6	64,3	62,4	62,4	57,7	65,0	65,4	62,6	62,0	63,2	63,2
	1980	65,6	64,9	66,7	64,3	63,4	63,9	58,9	64,7	67,8	66,4	63,1	64,2	64,8
	1984	67,4	66,4	70,1	65,6	64,5	65,9	59,8	67,7	69,5	68,3	64,3	65,6	66,8
	1986	67,2	66,7	70,1	65,4	65,9	65,9	60,1	67,2	69,5	68,9	64,9	65,6	66,8
65 years	1970	13,4	12,4	13,3	11,1	9,8	12,9	11,1	10,6	12,6	10,2	9,2	12,8	12,0
	1980	14,4	14,5	15,5	13,2	10,9	13,8	10,7	13,5	13,6	11,6	11,4	15,0	13,7
	1984	13,7	15,0	14,7	13,3	11,9	12,8	10,7	12,7	13,2	12,0	11,9	15,0	13,4
	1986	14,2	15,4	15,2	.	12,3	13,3	10,8	13,4	.	12,3	12,4	15,2	.

† 1985.

Source : "Demographic statistics 1986", EUROSTAT.

I. Population (continued)

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
2. Components of population changes													
a) Birth rate (live births per 1.000 inhabitants)													
1970	14,8	14,4	13,4	16,5	19,6	16,8	21,8	16,8	13,0	18,3	20,0	16,2	16,4
1980	12,6	11,2	10,1	15,4	15,2	14,9	21,8	11,3	11,4	12,8	16,2	13,4	13,0
1981	12,6	10,4	10,1	14,5	14,1	14,9	21,0	11,0	12,1	12,5	15,4	13,0	12,7
1982	12,2	10,3	10,1	14,0	13,6	14,6	20,3	10,9 ¹	11,8	12,0	15,2	12,8	12,4
1983	11,9	9,9	9,7	13,5	12,5	13,7	19,1	10,6 ¹	11,4	11,8	14,4	12,8	11,9
1984	11,7	10,1	9,5	12,7	12,1	13,8	18,1	10,3 ¹	11,5	12,1	14,2	12,9	11,8
1985	11,6	10,5	9,6	11,8	12,1 ¹	13,9	17,6	10,1 ¹	11,2	12,3	12,8	13,3	11,8 ²
1986	11,9	10,8	10,3	11,3	12,0 ¹	14,1	17,3	9,7 ¹	11,7	12,7	12,4	13,3	11,9 ²
b) Death rate (deaths per 1.000 inhabitants)													
1970	12,3	9,8	12,1	8,4	8,3	10,7	11,4	9,7	12,2	8,4	10,3	11,8	10,6
1980	11,5	10,9	11,6	9,1	7,7	10,2	9,8	9,8	11,3	8,1	9,9	11,7	10,3
1981	11,4	11,0	11,7	8,9	7,8	10,2	9,6	9,6 ¹	11,2	8,1	9,7	11,7	10,2
1982	11,1	10,8	11,6	8,8	7,5	10,0	9,3	9,4 ¹	11,3	8,2	9,3	11,8	10,1
1983	11,3	11,2	11,7	9,2	7,7	10,2	9,4	9,9 ¹	11,3	8,2	9,6	11,7	10,3
1984	11,1	11,2	11,3	8,9	7,7	9,9	9,1	9,3 ¹	11,1	8,3	9,6	11,4	10,0
1985	11,2	11,4	11,5	9,3	7,7 ¹	10,0	9,4	9,5 ¹	11,0	8,5	9,6	11,8	10,2 ²
1986	11,2	11,3	11,5	9,2	7,6 ¹	9,9	9,5	9,5 ¹	10,7	8,6	9,4	11,7	10,1 ²
c) Net immigration (per 1.000 inhabitants)													
1970	+ 0,4	+ 2,4	+ 9,2	- 5,3	- 0,8	+ 3,5	- 1,2	- 2,2	+ 3,1	+ 2,6	- 16,4	- 0,3	+ 1,4
1980	- 0,3	+ 0,1	+ 5,1	+ 5,2	+ 3,0	+ 0,8	- 0,2	- 0,1	+ 3,7	+ 3,7	+ 4,3	- 0,7	+ 1,2
1981	- 0,8	- 0,4	+ 2,5	+ 0,7	0,0	+ 1,1	+ 0,3	- 0,5	+ 1,1	+ 1,2	+ 1,7	- 1,5	+ 0,9
1982	- 0,5	- 0,0	- 1,2	+ 0,8	- 0,6	+ 0,7	- 3,2	+ 1,9	- 0,9	+ 0,2	+ 1,8	- 1,0	+ 0,1
1983	- 0,8	+ 0,3	- 1,9	+ 0,9	- 0,1	+ 0,3	- 2,7	+ 2,4	+ 0,1	+ 0,4	+ 3,3	+ 0,3	+ 0,3
1984	0,0	+ 0,8	- 2,5	+ 1,0	- 0,2	+ 0,3	- 5,0	+ 1,6	+ 1,3	+ 0,6	+ 3,3	+ 0,9	+ 0,2
1985	0,0	+ 1,9	+ 1,4	+ 0,5	- 3,2	0,0	- 7,3	+ 1,4	+ 2,3	+ 1,7	+ 2,3	+ 1,3	+ 0,6
1986	- 0,1	+ 2,1	+ 3,2	+ 1,1	...	0,0	- 7,3	+ 1,3	+ 5,4	+ 2,2	+ 1,3	+ 0,5	+ 1,1

1 Provisional figures.

2 Data for Spain relate to 1984.

Source : "Demographic statistics 1986", EUROSTAT.

II. Education

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
	1. Compulsory education (age)												
1970	6-14, ¹	7-14	6-14	7-13	6-14	6-15 1/2	6-14	6-14	6-15	6-14	6-12	5-15	5-15 1/2
1985	6-18 ¹	7-16	6-15	5 1/2-14 1/2	6-14	6-15 1/2	6-15	6-14	6-15	5-16	6-14	5-16	5-18
	2. Numbers of pupils and students												
	a) 1.000												
1970/71	2.361	951	11.060	1.648	6.929	12.396	766	11.036	61,5	3.204	1.510	10.819	62.741
1980/81	2.289	1.103	12.455	1.908 ²	9.538	13.442	911	12.699	61,2	3.517	1.826 ²	11.255	71.002
1985/86	2.255	1.063	10.872	2.026 ²	10.155	13.421	970	11.882	...	3.315	2.107 ²	10.247	68.371 ^s
	b) as % of the population aged 5 to 24 years												
1970/71	78,4	61,3	63,3	59,7	60,2	73,2	69,7	66,1	62,1	68,2	47,7	63,4	65,3
1980/81	77,6	72,5	68,9	65,6 ²	74,6	79,4	70,4	72,2	59,0	74,5	54,6 ²	65,8	71,5
1985/86	82,2	73,4	66,9	69,9 ²	78,8	81,6	73,0	68,7	...	75,0	62,0 ²	62,7	71,6
	c) by level of education as %												
<u>First level</u>													
1970/71	44,2	47,8	36,9	55,8	51,4	41,5	52,2	44,7	52,3	47,7	76,0	54,0	46,4
1980/81	37,5	39,4	23,1	47,2 ²	38,8	36,5	47,2	34,9	44,2	39,9	63,7 ²	44,1	36,8
1985/86	33,6	38,1	21,7	44,4 ²	35,2	30,9	44,2	31,3	...	35,5	60,5 ²	42,3	33,8
<u>Second level</u>													
1970/71	31,1	40,1	46,2	33,7	31,7	34,4	27,2	34,7	33,9	31,4	18,4	38,9	36,3
1980/81	37,1	45,2	54,8	38,8 ²	41,7	38,1	33,0	42,0	41,5	40,3	25,8 ²	48,3	43,7
1985/86	37,9	44,8	49,6	39,4 ²	44,5	40,4	34,9	45,5	...	44,3	28,4 ²	48,4	44,3
<u>Third level</u>													
1970/71	5,3	9,9	6,1	5,2	5,1	6,2	3,4	6,2	0,9	5,5	4,5	4,2	5,6
1980/81	8,6	9,6	9,7	6,3 ²	7,1	7,6	4,6	8,3	1,3	8,1	5,0 ²	4,7	7,5
1985/86	11,0	11,8	14,1	8,2 ²	9,2	9,5	5,7	9,4	...	9,3	5,6 ²	5,9	9,5

^s Estimates EUROSTAT

¹ 16 years and older : at least participation in part-time education.

² 1984/85.

Source : EUROSTAT.

III. Employment

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
1. Working population													
a) 1.000 - annual average													
1970	3.824	2.380	26.817	3.430 ^s	13.049	21.434	1.118	20.886	135,8	4.795	.	25.308	127.189 ^s
1975	3.999	2.486	26.884	3.434 ^s	13.757	22.354	1.158	21.233	150,3	4.991	4.030	25.877	130.353 ^s
1980	4.156	2.662	27.217	3.636 ^s	13.456	23.370	1.247	22.459	152,5	5.386	4.338	26.841	134.920
1985	4.202	2.834	27.844	4.078 ^s	13.938	23.902	1.305	23.495	156,3	5.812	4.522	27.663	139.731 ^s
1986	4.212	2.898	28.024	4.063 ^s	14.147	24.009	1.303	23.851	157,4	5.843	4.519	27.772	140.798
b) as % of total population (activity rates)													
1970	39,7	48,3	44,2	39,0 ^s	38,6	42,2	37,9	38,8	40,0	36,8	.	45,5	41,9 ^s
1975	40,8	49,1	43,5	38,0 ^s	38,7	42,4	36,4	38,3	41,7	36,5	42,8	46,0	41,8 ^s
1980	42,2	52,0	44,2	37,7	37,7	43,4	36,7	39,8	41,8	38,1	44,4	47,7	42,4 ^s
1985	42,6	55,4	45,6	41,0 ^s	41,0	43,3	36,9	41,1	42,6	40,1	44,5	48,8	43,4 ^s
1986	42,7	56,6	45,9	40,8 ^s	40,8	43,3	36,8	41,7	42,8	40,1	44,3	48,9	43,6
2. Total employment													
a) 1.000 - annual average													
1970	3.698	2.363	26.651	3.294 ^s	12.856	20.905	1.053	19.775	140,2	4.708 ^s	.	24.753	124.192 ^s
1975	3.783	2.365	25.810	3.359 ^s	13.133	21.453	1.073	20.007	157,5	4.747	3.852	25.035	124.774 ^s
1980	3.797	2.489	26.328	3.541 ^s	11.946	21.903	1.156	20.869	158,2	5.077	4.007	25.328	126.599
1985	3.662	2.598	25.540	3.774 ^s	10.955	21.460	1.079	21.113	161,9	5.178	4.137	24.465	124.123 ^s
1986	3.698	2.709	25.796	3.776 ^s	11.174	21.519	1.075	21.240	165,1	5.238	4.137	24.561	125.088
b) Female employment as % of total employment													
1970	31,9	38,6	36,0	26,4 ^s	24,1	34,9	26,7	27,5	26,9	25,7 ^s	.	35,8	32,5 ^s
1980	35,1	44,0	37,3	28,1	27,8	38,5	28,8	31,3	30,8	30,0	38,1	39,8	35,6 ^s
1985	37,4	44,5	38,2	32,3 ^s	28,3	40,5	30,8	32,4	34,2	33,6	40,0	41,7	37,1 ^s
1986	38,0	45,0	38,3	32,1 ^s	28,8	40,8	31,1	32,8	34,2	33,8	42,1	42,1	37,5 ^s
c) Total employment by sectors as %													
Agriculture, fishery													
1970	4,7	11,3	8,5	38,8 ^s	28,5	13,2	26,9	19,6	9,3	6,1 ^s	.	3,2	
1980	2,9	8,0	5,5	28,7	18,5	8,5	18,1	13,9	5,4	4,8	28,0	2,6	9,4 ^s
1985	2,9	7,0	5,3	27,5 ^s	17,6	7,4	15,8	10,9	4,2	4,8	23,4	2,6	8,5 ^s
1986	2,8	6,1	5,2	27,2 ^s	15,6	7,1	15,6	10,6	3,9	4,7	21,5	2,5	8,1

^s Estimates EUROSTAT.

Source : "Employment and unemployment - 1988", EUROSTAT.

III. Employment (continued)

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
<u>Industry</u>													
1970	41,6	37,1	48,4	23,8 ^s	36,0	38,1	29,6	38,4	44,1	38,1 ^s	.	44,1	.
1980	33,6	28,6	43,2	28,7	34,8	35,0	32,1	36,9	38,1	30,8	35,3	37,2	36,9
1985	29,2	26,4	40,2	26,0 ^s	30,7	31,2	28,4	32,7	33,4	26,6	33,3	31,4	32,8 ^s
1986	28,6	26,5	40,1	26,8 ^s	31,0	30,5	28,0	32,1	32,8	26,3	33,5	30,7	32,5 ^s
<u>Services</u>													
1970	53,7	51,7	43,1	37,4 ^s	35,5	48,7	43,5	42,0	46,6	55,7 ^s	.	52,7	.
1980	63,4	63,-	51,3	42,6 ^s	46,7	56,5	49,8	49,2	56,6	64,4	36,7	60,2	53,6
1985	67,9	66,6	54,5	46,5 ^s	51,7	61,5	55,8	56,5	62,4	68,6	43,3	66,0	58,7 ^s
1986	68,6	67,4	54,7	46,0 ^s	53,4	62,3	56,4	57,3	63,2	69,0	45,0	66,8	59,4 ^s
3. <u>Employees in employment</u>													
a) Total (1.000) - annual average													
1970	3.004	1.885	22.229	.	8.383	16.518	725	13.368	112,6	4.045 ^s	.	22.851	.
1975	3.152	1.932	22.014	.	9.305	17.648	771	14.251	132,8	4.140	2.586	23.042	.
1980	3.174	2.097	23.009	1.853 ^s	8.437	18.321	874	15.055	137,0	4.462	2.729	23.295	103.443
1985	3.017	2.284	22.274	1.955 ^s	7.654	18.119	820	15.023	143,1	4.590	2.815	21.835	100.528 ^s
1986	3.043	2.399	22.525	1.949 ^s	7.968	18.204	825	15.084	146,6	4.664	2.842	21.915	101.565 ^s
b) as % of total employment													
1970	81,2	79,8	83,4	.	65,2	79,0	68,9	67,6	80,3	85,9 ^s	.	92,3	.
1975	83,3	81,7	85,3	.	70,9	82,3	71,9	71,2	84,3	87,2	67,1	92,0	.
1980	83,6	84,3	87,4	52,3 ^s	70,6	83,6	75,6	72,1	86,6	87,9	68,1	92,0	81,7
1985	82,4	87,9	87,2	51,8 ^s	69,9	84,4	76,0	71,2	88,4	88,6	68,0	89,3	81,0
1986	82,3	88,6	87,3	51,6 ^s	71,3	84,6	76,7	71,0	88,8	89,0	68,7	89,2	81,2
4. <u>Employees in the iron and steel industry (ECSC)</u>													
a) 1.000 - annual average													
1970	60,2	.	237,5	.	.	145,6	.	74,1	23,0	21,3	.	.	.
1975	61,4	2,7	226,8	.	.	156,9	0,8	96,1	22,6	25,6	.	191,1	.
1980	47,4	2,5	201,0	.	.	113,6	0,7	100,6	16,0	21,0	.	133,4	.
1985	35,6	1,7	152,0	4,2	.	80,7	0,6	71,1	12,4	18,9	.	60,7	.
1987	28,9	1,6	137,4	.	.	63,0	0,6	65,0	11,6	18,8	.	55,0	.
b) Average annual increase (+) or decrease (-) as %													
1970/75	+ 0,5	.	- 0,9	.	.	+ 1,5	.	+ 5,3	- 0,3	+ 3,8	.	.	.
1975/80	- 5,1	- 1,6	- 2,4	.	.	- 6,2	- 3,2	+ 0,9	- 6,6	- 3,9	.	- 6,9	.
1980/85	- 5,5	- 7,4	- 5,4	.	.	- 6,6	- 2,5	- 6,7	- 5,0	- 2,1	.	- 14,6	.
1986/87	-11,2	- 9,5	- 7,2	.	.	-12,4	+ 8,7	- 5,7	- 7,5	- 0,5	.	- 3,3	.

s Estimates.

Source : "Employment and unemployment - 1987", EUROSTAT.

IV. Unemployment

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
1. Registered unemployed (according to national definitions)													
a) 1.000 - annual average													
1970	80 ^s	25 ^s	148	49	146	262	59	888	0	59 ^s	13	558 ^s	2.287 ^s
1975	201 ^s	122 ^s	1.086	35	257	840	96	1.107	0,3	260	107	909 ^s	5.020 ^s
1980	369	176	899	37	1.277	1.451	101	1.580	1,1	325	285	1.591 ^s	8.093 ^s
1985	557	242	2.305	85	2.642	2.458	231	2.959	2,6	761	342	3.271	15.856
1987	501	216	2.233	110	2.924	2.622	247	3.297	2,7	686	319	2.953	16.110
1987 March	495	245	2.412	133	2.977	2.679	249	3.348	2,9	692	359	3.143	16.738
June	466	190	2.097	91	2.839	2.459	247	3.213	2,4	658	300	2.905	15.467
September	516	201	2.107	81	2.879	2.674	242	3.326	2,6	687	283	2.870	15.867
December	498	227	2.308	137	3.024	2.677	250	3.447	2,9	697	310	2.696	16.274
b) as % of the civilian working population (unemployment rates)													
1970	2,1 ^s	1,1 ^s	0,6	.	1,2	1,3	5,3	4,4	0,0	1,3 ^s	.	2,2 ^s	1,9 ^s
1975	5,1 ^s	5,0 ^s	4,1	.	1,9	3,9	8,4	5,3	0,2	5,3	.	3,6 ^s	3,9 ^s
1980	9,1	6,7	3,4	.	9,9	6,4	8,2	7,2	0,7	6,2	.	6,0 ^s	6,1 ^s
1985	13,6	8,7	8,4	7,8	19,9	10,5	17,9	12,9	1,7	13,3	8,6	12,0	11,6 ^s
1987	12,2	7,6	8,1	7,5 ^a	22 ^s	11,2	19,2	14,2	1,7	11,9	.	10,8	11,7 ^s
1987 March	12,0	8,6	8,8	.	22,1	11,4	19,3	14,4	1,8	12,1	9,3	11,5	12,1
June	11,3	6,7	7,6	.	21,1	10,5	19,1	13,8	1,5	11,5	8,7	10,6	11,2
sept.	12,5	7,0	7,7	.	22,0	11,4	18,7	14,3	1,7	12,0	8,4 ^s	10,5	11,5
déc.	12,1	8,0	8,4	.	23,2 ^s	11,4	19,4	14,8	1,8	12,1	8,6 ^s	9,8	11,8
2. Structure of unemployment													
a) Proportion of women among the unemployed as %													
1970	36,0 ^s	22,0 ^s	38,3	.	.	44,4	17,0	30,1	82,2	17,6 ^s	.	15,4 ^s	.
1980	61,6	50,0	51,8	40,5	31,4	54,6	23,9	46,8	51,9	35,8	59,2	30,4 ^s	43,4
1985	56,0	56,8	44,1	41,6	39,5	48,2	26,2	48,6	48,1	34,6	56,1	31,2	42,3
1987	58,3	56,6	45,8	46,0	47,8	50,5	28,8	48,9	43,2	37,5	56,7	30,7	44,9
b) Proportion of young people aged under 25 year among the unemployed as %													
1975	40,0 ^s	.	24,9	.	.	42,0	.	.	.	34,4	.	3,1 ^s	.
1980	38,0 ^s	30,2 ^s	25,0 ^s	9,9	47,5	42,1	23,7	47,2	48,3	39,4	.	41,7 ^s	41,0 ¹
1985	34,9	24,7	24,4 ^s	34,4	45,3	38,4	31,0	46,8	47,4	37,6	.	37,8	38,5 ¹
1987	32,0	23,3	21,6	28,5	42,4	31,7	30,0	46,6	38,6	33,0	.	33,4	35,6 ¹

s Estimates

1 Portugal excluded

Source : "Employment and unemployment-1988", EUROSAT.

V. Working conditions

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
1. Hours of work per week													
a) Normal hours of work for industrial workers fixed by collective agreements													
1970	42-44	42,5-41,75 ¹	40-41	48	.	40 ¹	41-42	42-44	41-45	42,5-41,75	.	40-41	40-48
1980	37 1/2-40	40	40	43-44	42-45	40 ¹	40	36-40	40	40	.	39-40	.
1985/86	36-40	39-40	38-40	38 3/4-40	39-40	37 1/2-39	40	35-40	40	36-40	40-45	35-40	35-45
b) Hours of work offered to industrial workers - October													
1970	42,7	.	44,1	44,6 ²	.	45,9	.	42,5	45,0	44,3	.	.	.
1980	35,7	38,5	41,6	39,0 ²	.	40,9	42,3	38,4	40,2	40,8	.	40,7	.
1984	35,7	38,5	41,2	39,1 ²	.	38,9	41,3	37,4	40,1	40,5	.	42,0	.
1985	35,7	37,9	40,7	39,3 ²	.	...	41,1	...	40,6	40,5	.	42,2	.
1986	35,6	.	40,5	.	.	.	41,6	.	41,0	.	.	42,0	.
2. Basic annual paid holidays for industrial workers fixed by collective agreements in days ³													
1970	18	18	16*-24	6-12	24	12-18	12-15	18-24	15*-18*			12-18	6-24
1980	24	26*-30	21*-30*	10-12	20-25	24	17*-19	20*-24	25*	20*-24*		18-23	10-30*
1985/86	24-25	26*-30	21*-32*	20-24	25	30	24	25-30	25*	26*	20-25	20-27	20-32*
3. Strikes													
a) Working days lost (1.000)													
1970	1.432	102	93	.	1.092	1.742	1.008	18.277	-	263	.	10.980	.
1980	217	192	77	2.617	6.178	1.511	412	13.514	0	54	533	11.964	37.269
1984	.	131	2.921	.	.	1.317	386	7.279	0	29	270	27.135	.
1985	.	2.332	35	.	.	777	418	3.177	0	89	...	6.402	.
1986	.	.	28	.	.	568	309	4.737	0	.	...	1.920	.
b) Working days lost per 1.000 employees													
1970	482	56	4	.	135 ^s	110	1.405	1.445	-	69	.	489	.
1980	70	90	3	1.570	777 ^s	82	480	932	0	13	204	521	362
1984	.	61	136	.	891 ^s	73	468	511	0	7	98 ^s	1.277	.
1985	.	1.021	2	.	.	40	513	211	0	20	...	298	.
1986	.	.	.	.	.	31	374	314	0	.	.	88	...

s Estimates.

1 Normal hours fixed by legislation.

2 Hours paid for.

3 Working days; where the data have been annotated *, they refer to days of work.

Source : 1 a) + 2 : National collective agreements.

1 b) "Employment and unemployment 1988",

EUROSTAT; "Bulletin of Labour Statistics" ILO

3 a) + b): EUROSTAT.

VI. Wages - Labour costs

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
1. Average gross hourly earnings of industrial workers ¹ - October ²													
a) Converted into current purchasing power standards													
1975	2,66	3,28	2,63	1,20	-	1,92	2,34	2,34	3,26	2,97	-	2,86	
1980	5,40	6,12	5,11	2,83	-	3,92	4,31	4,58	6,08	5,40	-	4,69	
1985	8,02	8,77	7,96	5,10	-	6,21	7,00	7,23	8,50	8,04	-	7,87	
1986	8,08*	9,19*	8,48*	5,01*	-	-	7,55*	-	8,75*	-	-	8,40*	
b) In national currencies - indices (1980 = 100)													
1975	65,1	60,9	73,2	35,8	-	52,4	47,2	39,5	68,2	71,0	-	52,7	
1980	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	-
1985	132,3	139,8	121,3	301,8	189,4	164,9	180,3	199,8	131,3	117,9	250,7	154,8	-
1986	132,9	145,4	126,1	334,9	-	-	194,4	-	135,6	-	295,9	165,3	-
c) In national currencies - average annual rates of increase as %													
1975/1980	8,9	10,4	6,4	22,8	-	13,8	16,2	20,4	7,9	7,1	-	13,6	
1980/1981	9,6	10,8	5,7	27,5	18,4	15,1	19,7	24,1	5,2	5,3	24,7	12,1	
1981/1982	5,6	9,7	4,3	36,0	14,7	13,0	14,4	17,0	8,1	6,8	23,0	9,0	
1982/1983	5,4	4,1	3,3	18,5	13,7	12,9	11,3	15,9	7,9	2,0	17,9	7,9	
1983/1984	4,2	4,3	2,5	24,1	11,3	6,1	10,4	7,4	3,5	0,4	15,2	8,9	
1984/1985	4,1	5,9	4,0	18,4	10,2	5,8	7,2	10,6	3,4	2,4	20,4	7,9	
1985/1986	0,5	4,0	4,0	11,0	-	-	7,8	-	3,3	-	18,0	6,8	
d) Development in real terms - indices (1980 = 100)													
1975	87,7	103,1	88,8	76,3	-	87,0	92,9	87,1	89,9	94,6	-	100,6	
1980	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	-
1985	95,4	97,5	100,8	116,0	106,3	106,8	102,4	108,1	92,6	97,5	88,2	111,6	
1986	95,0	97,1	105,8	105,5	-	-	107,2	-	96,5	-	93,2	115,7	
e) Development in real terms - average annual rates of increase as %													
1975/1980	2,7	- 0,6	2,4	5,6	-	2,8	1,5	2,8	2,2	1,1	-	- 0,1	
1980/1981	1,7	- 1,0	- 1,5	1,7	3,3	0,8	- 0,3	6,1	- 3,4	- 1,8	3,9	0,4	
1981/1982	- 3,9	- 0,7	- 0,7	13,4	0,3	3,4	- 2,3	- 0,1	- 2,0	1,9	0,2	2,0	
1982/1983	- 1,0	- 1,2	0,6	- 2,2	1,3	2,4	1,2	2,4	- 0,4	- 0,6	- 5,8	2,7	
1983/1984	- 1,5	- 1,6	0,3	5,2	0,1	- 0,8	2,2	- 1,9	- 1,3	- 2,4	- 10,6	3,7	
1984/1985	0,1	2,1	2,1	- 2,3	1,2	0,9	1,6	1,5	- 0,5	0,4	0,6	2,3	
1985/1986	- 0,4	- 0,4	5,0	- 9,1	-	-	4,7	-	4,2	-	5,7	3,7	

1 All industry (NACE 1-5 except 16 and 17); Denmark and Ireland : building industries excluded. Greece : manufacturing industries.

2 Ireland : September; Spain : annual average.

* Provisional data.

vi. Wages - labour costs (continued)

Year	D	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
2. Average gross monthly earnings of non-manual workers in industry - October													
a) In national currencies - indices (1980 = 100)													
1975	67,3	66,7	71,3	-	-	56,9	-	44,0	66,1	70,4	-	50,6	-
1980	100,0	100,0	100,0	-	-	100,0	-	100,0	100,0	100,0	-	100,0	-
1985	128,2	147,9	123,3	-	-	154,2	-	202,2	135,6	115,5	-	161,0	-
1986	129,2	156,7	128,6	-	-	-	-	-	143,5	-	-	-	-
b) In national currencies - average annual rates of increase as %													
1975/1980	8,2	8,4	7,0	-	-	11,9	-	17,8	8,6	7,3	-	14,6	-
1980/1985	5,1	8,1	4,5	-	-	9,1	-	15,1	6,3	2,9	-	10,0	-
1985/1986	0,8	6,0	4,3	9,7	-	-	-	-	5,8	-	-	-	-
3. Labour costs in industry (manual and non-manual workers)													
a) Average hourly labour costs in ECU													
1975	5,97	5,67	5,76	-	-	4,59	2,68	4,20	5,62	6,45	-	3,02	-
1978	9,31	7,93	8,49	-	-	6,44	3,71	5,01	8,54	9,03	-	3,81	6,13
1981	12,08	9,63	10,94	3,83	-	9,63	6,03	7,40	9,71	10,73	2,50(2)	7,43	9,13
1984	13,09	11,90	14,14	3,88	-	12,17	8,58(2)	10,39	10,96	13,59	2,38	8,84	11,36
1985	13,92	-	14,90	-	-	-	-	-	11,38	14,28	-	-	-
1986	14,70	-	16,12	-	-	-	-	-	11,96	15,41*	-	-	-
b) Country with the highest level = 100													
1975	92,6	87,9	89,3	-	-	71,2	41,5	65,1	87,1	100	-	46,8	-
1978	100,0	85,2	91,2	-	-	69,2	39,8	53,8	91,7	97,0	-	40,9	65,8
1981	100,0	79,7	90,6	31,7	-	79,7	49,9	61,3	80,4	88,8	20,7	61,5	75,6
1984	92,6	84,2	100,0	27,4	-	86,1	60,7	73,5	77,5	96,1	16,8	62,5	80,3
1985	93,4	-	100,0	-	-	-	-	-	76,4	95,8	-	-	-
1986	91,2	-	100,0	-	-	-	-	-	74,2	95,6	-	-	-
c) Direct cost of labour in industry as % of total costs													
1975	75,6	93,3	79,9	-	-	70,9	85,8	69,9	82,5	73,8	-	85,6	-
1978	76,1	94,5	78,3	-	-	71,1	86,0	70,9	83,8	73,9	-	82,4	-
1981	75,9	94,3	77,9	83,0	-	70,5	84,0	74,2	84,6	73,3	75,0(2)	81,5	-
1984	75,3	92,5	77,0	81,0	-	68,8	-	73,3	83,7	73,3	75,0	83,3	-

1 All industry (NACE 1-5 except 16 and 17). Ireland and Denmark : building industries excluded. Greece : manufacturing industries
 2 Data for 1982 .
 Provisional figures.

VII. Standard of living

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
1. Dwellings													
a) Existing dwellings per 1.000 inhabitants - end of the year													
1970	372	353	341	280	314 ¹	376	244	319 ²	332	295	...	346	349
1980	386	422	412	354	350	436 ⁴	263	389 ²	383	343	348 ²	382	390
1984	404	474	438	...	398	444 ⁴	276	...	...	367	...	393	...
1985	405	477	443	...	...	...	278	...	...	372	...	...	...
b) Completed dwellings per 1.000 inhabitants													
1970	4,8 ³	10,3	7,8	13,0 ³	9,1	9,3	,6	7,0	5,2	9,1	2,9	6,6	7,8
1980	4,9 ³	5,9	6,3	20,2 ³	7,0	7,0	8,1	4,5	5,6	8,1	4,1	4,5	6,3
1984	2,6 ³	5,6	6,5	...	5,1	6,8 ⁴	9,9	...	...	8,0	4,3	4,1	...
1985	3,1 ³	4,8	5,1	...	...	...	6,7	...	...	7,0	..	...	...
2. Durable consumer goods - end of year													
a) Passenger cars per 1.000 inhabitants													
1970	213	218	230	26	71	254	133	190	278	195	47	210	191
1980	320	271	377	89	202	343	215	310	352	322	156	281	298
1983	331	272	400	109	228	372	206	359	385	332	152	295	324
1984	335	282	413	116	231	378	208	366	400	335	159	305	327
1985	339	293	424	127	240	380	...	392	416	339	...	313	...
b) Television sets per 1.000 inhabitants													
1970	217	274	275	113	163	216	149	181	208	237	42	294	223
1980	298	362	320	238	238	297	181	234	247	296	140	331	288
1983	303	369	335	257	258	375	205	243	255	310	151	328	294
1984	303	371	341	264	...	...	211	...	...	312	...	330	...
1985	302	370	346	272	270	394	213	253	252	315	157	331	...

1 1979.

2 1981.

3 Buildings started.

4 Provisional figures.

: "Revue 1970-1979 et 1975-1984", EUROSTAT.

VII. Standard of Living (continued)

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
c) Installed telephones per 1.000 inhabitants													
1970	211	342	228	119	137	173	104	175	241	169	87	270	197
1980	365	644	464	291	315	460	187	337	361	347	132	496	405
1983	417	719	572	336	352	544	235	405	388	380	169	520	468
1984	...	749	598	357	...	...	253	...	402	390	...	...	...
1985	...	...	621	375	...	...	266	...	414	401	...	...	...
3. Consumer prices													
a) Indices (1980 = 100)													
1980	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
1985	140,5	146,4	121,0	256,3	178,0	158,0	178,4	190,3	142,3	122,3	284,1	141,5	153,7
1986	142,3	151,7	120,7	315,5	193,6	162,2	185,2	201,4	142,7	122,7	317,6	146,3	159,2
1987	144,5	157,8	121,0	366,3	203,8	167,3	191,0	211,0	142,6	122,5	347,2	152,4	164,3
b) Annual average rate of increase													
1980/81	7,6	11,7	6,3	24,5	14,6	13,4	20,4	17,8	8,1	6,7	20,0	11,9	12,1
1981/82	8,7	10,1	5,3	21,0	14,4	11,8	17,2	16,5	9,4	5,7	22,7	8,6	10,7
1982/83	7,7	6,9	3,3	20,5	12,2	9,6	10,4	14,7	8,7	2,7	25,1	4,6	8,6
1983/84	6,4	6,3	2,4	18,3	11,3	7,3	8,6	10,8	5,6	3,2	28,9	5,0	7,4
1984/85	4,9	4,7	2,2	19,4	8,8	5,8	5,4	9,2	4,1	2,3	19,6	6,1	6,1
1985/86	1,3	3,6	- 0,2	22,8	8,8	2,5	3,8	5,8	0,3	0,3	11,8	3,4	3,6
1986/87	1,5	4,0	0,2	16,1	5,3	3,1	3,1	4,8	- 0,1	- 0,2	9,3	4,2	3,2

VIII. - Social protection

Year	B	DK	DE	EL	E	F	IRL	IT	L	NL	P	UK	EUR-12
1. Total social protection expenditure as a % of the gross domestic product													
1970	18,7	19,6	21,5	.	.	19,2	13,8	.	15,6	19,7	.	14,3	.
1975	24,2	25,8	29,7	.	.	22,9	19,7	19,6	22,4	26,7	.	20,1	.
1980	28,0	28,7	28,6	.	.	25,5	20,6	19,8	26,4	30,4	13,0	21,6	.
1983	30,8	30,2	29,1	.	.	28,5	23,9	23,7	26,5	33,7	...	24,1	.
1984	29,4	28,7	28,7	.	.	...	23,3	23,3	...	...	...	24,1	.
1985	.	27,5	.	.	.	.	23,9	23,4	0,0	0,0	.	.	.
2. Social protection benefits													
a) Benefits per inhabitant at 1980 prices and purchasing power parities													
1975	1720	2110	2190	.	.	1670	820	1190	1760	2080	.	1390	.
1980	2190	2420	2500	.	.	2150	1020	1460	2340	2590	530	1660	.
1983	2290	2660	2520	.	.	2420	1160	1820	2290	2760	.	1900	.
1984	2210	2620	2490	.	.	...	1150	1830	...	...	.	1930	.
1985	.	2630	.	.	.	...	1180	1870	...	...	.	.	.
b) Benefits per function as %													
1970													
- Sickness	22,1	29,2	27,7	.	.	26,9	30,8	28,3	17,7	29,9	.	28,1	.
- Invalidity, employment injuries	12,6	14,1	12,6	.	.	9,9	9,7	21,3	19,0	12,1	.	8,5	.
- Old age, survivors	40,6	36,3	45,6	.	.	41,1	34,6	34,8	50,9	40,5	.	48,7	.
- Maternity, family	20,0	14,1	10,2	.	.	16,8	16,9	12,9	11,8	13,9	.	11,2	.
- Unemployment, vocational training, placement,	3,7	2,8	2,0	.	.	2,0	2,8	1,1	0,0	3,3	.	2,9	.
- Other	0,9	3,6	1,9	.	.	3,4	5,1	3,6	0,6	0,3	.	0,6	.
	100,0	100,0	100,0	.	.	100,0	100,0	100,0	100,0	100,0	.	100,0	.

1 1969.

2 1977/78.

3 Data from the 2nd European social budget.

Source : SESPROS, EUROSTAT, excluding Greece and Spain where national definitions apply.

VIII. - Social protection (continued)

Year	BE	DK	DE	EL	ESP	F	IRL	IT	LUX	NL	PORT	UK	EUR - 12
<u>1985</u>	<u>1984</u>		<u>1984</u>		<u>1982</u>	<u>1983</u>			<u>1983</u>	<u>1983</u>	<u>1982</u>	<u>1983</u>	
- Sickness	21,4	21,6	31,7	.	25,5	24,9	29,0	22,6	23,7	26,8	25,9	20,6	.
- Invalidity, employment injuries	12,2	8,8	15,5	.	11,6	8,6	7,2	22,1	18,3	19,4	18,2	9,8	.
- Old age, survivors	40,2	37,7	33,3	.	44,4	40,8	31,2	45,4	45,0	28,3	38,7	41,4	.
- Maternity, family	11,0	10,8	8,0	.	3,0	11,3	12,3	6,5	9,5	8,8	8,2	12,1	.
- Unemployment, vocational training, placement	13,7	15,6	7,7	.	15,3	10,4	14,4	3,2	3,4	13,3	2,5	11,3	.
- Others	1,5	5,5	3,9	.	0,3	4,0	5,9	0,2	0,1	3,4	6,4	4,8	.
	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0
3. Revenue according to nature (%) 1970													
<u>1970</u>													
- Employers' contrib.	51,0	11,2	47,1	.	.	59,2	21,2	.	36,0	43,3	.	36,6	.
- Contrib. from protected persons	21,2	6,4	24,2	.	.	18,9	12,0	.	24,9	35,8	.	20,5	.
- Contributions from public funds	23,5	79,6	23,7	.	.	18,6	66,0	.	30,3	12,5	.	34,2	.
- Other	4,3	2,8	5,1	.	.	3,2	0,7	.	8,8	8,4	.	8,7	.
	100,0	100,0	100,0	.	.	100,0	100,0	.	100,0	100,0	.	100,0	.
<u>1985</u>	<u>1984</u>		<u>1984</u>			<u>1983</u>			<u>1983</u>	<u>1983</u>	<u>1982</u>	<u>1984</u>	
- Employers' contrib.	41,4	10,3	40,5	.	.	52,8	20,9	52,5	33,1	32,0	54,0	30,8	.
- Contrib. from protected persons	19,7	4,2	29,8	.	.	23,6	13,0	13,9	25,5	36,3	19,0	16,8	.
- Contrib. publ. funds	33,8	77,4	26,3	.	.	20,5	65,2	31,5	32,8	18,3	25,0	42,6	.
- Other	5,1	8,0	3,4	.	.	3,1	0,9	2,1	8,5	13,4	2,0	9,7	.
	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

1 Data from the 2nd European social budget.

Source : SESPROS, EUROSTAT.