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**Social action
programme**

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Commission

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**Resolution of the Council
of 21 January 1974
concerning a social action programme**

The Council of the European Communities,

Having regard to the Treaties establishing the European Communities;

Having regard to the draft from the Commission;

Having regard to the Opinion of the European Parliament;

Having regard to the Opinion of the Economic and Social Committee;

Whereas the Treaties establishing the European Communities assigned to them tasks with relevance to social objectives;

Whereas, pursuant to Article 2 of the Treaty establishing the European Economic Community, the European Economic Community shall have as a particular task to promote throughout the Community a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability and an accelerated raising of the standard of living;

Whereas the Heads of State or of Government affirmed at their conference held in Paris in October 1972 that economic expansion is not an end in itself but should result in an improvement of the quality of life as well as of the standard of living;

Whereas the Heads of State or of Government emphasized as one of the conclusions adopted at the abovementioned conference that they attach as much importance to vigorous action in the social field as to the achievement of Economic and Monetary Union and invited the Community institutions to draw up a social action programme providing for concrete measures and the corresponding resources particularly in the framework of the European Social Fund on the basis of suggestions put forward by the Heads of State or Government and the Commission at the said Conference;

Whereas such a programme involves actions designed to achieve full and better employment, the improvement of living and working condi-

tions and increased involvement of management and labour in the economic and social decisions of the Community, and of workers in the life of undertakings;

Whereas actions described in the above programme should be implemented in accordance with the provisions laid down in the Treaty, including those of Article 235 of the Treaty establishing the European Economic Community;

Having regard to the wishes expressed by management and labour;

Whereas, irrespective of serious threats to employment which may arise from the situation obtaining at the time of adoption of this resolution, and without prejudice to the results of any future studies or measures, the Community should decide on the objectives and priorities to be given to its action in the social field over the coming years;

Takes note of the Social Action Programme from the Commission,

Considers that vigorous action must be undertaken in successive stages with a view to realizing the social aims of European union, in order to attain the following broad objectives: full and better employment at Community, national and regional levels, which is an essential condition for an effective social policy; improvement of living and working conditions so as to make possible their harmonization while the improvement is being maintained; increased involvement of management and labour in the economic and social decisions of the Community, and of workers in the life of undertakings,

Considers that the Community social policy has an individual role to play and should make an essential contribution to achieving the aforementioned objectives by means of Community measures or the definition by the Community of objectives for national social policies, without however seeking a standard solution to all social problems or attempting to transfer to Community level any responsibilities which are assumed more effectively at other levels,

Considers that social objectives should be a constant concern of all Community policies,

Considers that it is essential to ensure the consistency of social and other Community policies so that measures taken will achieve the objectives of social and other policies simultaneously,

Considers that, to achieve the proposed actions successfully, and particularly in view of the structural changes and imbalances in the Community, the necessary resources should be provided, in particular by strengthening the role of the European Social Fund,

Expresses the political will to adopt the measures necessary to achieve the following objectives during a first stage covering the period from 1974 to 1976, in addition to measures adopted in the context of other Community policies:

Attainment of full and better employment in the Community

(i) to establish appropriate consultation between Member States on their employment policies, guided by the need to achieve a policy of full and better employment in the Community as a whole and in the regions;

(ii) to promote better cooperation by national employment services;

(iii) to implement a common vocational training policy, with a view to attaining progressively the principal objectives thereof, especially approximation of training standards, in particular by setting up a European Vocational Training Centre;

(iv) to undertake action for the purpose of achieving equality between men and women as regards access to employment and vocational training and advancement and as regards working conditions, including pay, taking into account the important role of management and labour in this field;

(v) to ensure that the family responsibilities of all concerned may be reconciled with their job aspirations;

(vi) to establish an action programme for migrant workers and members of their families which shall aim in particular:

(a) to improve the conditions of free movement within the Community of workers from Member States, including social security, and the social infrastructure of the Member States, the latter being an indispensable condition for solving the specific problems of migrant workers and members of their families, especially problems of reception, housing, social services, training and education of children;

(b) to humanize the free movement of Community workers and members of their families by providing effective assistance during the various phases, it being understood that the prime objective is still to enable workers to find employment in their own regions;

(c) to achieve equality of treatment for Community and non-Community workers and members of their families in respect of living and working conditions, wages and economic rights, taking into account the Community provisions in force;

(d) to promote consultation on immigration policies vis-a-vis third countries;

(vii) to initiate a programme for the vocational and social integration of handicapped persons, in particular making provisions for the promotion of pilot experiments for the purpose of rehabilitating them in vocational life, or where appropriate, of placing them in sheltered industries and to undertake a comparative study of the legal provisions and the arrangements made for rehabilitation at national level;

(viii) to seek solutions to the employment problems confronting certain more vulnerable categories of persons (the young and the aged);

(ix) to protect workers hired through temporary employment agencies and to regulate the activities of such firms with a view to eliminating abuses therein;

(x) to continue the implementation of the Council's conclusions on employment policy in the Community and particularly those concern-

ing the progressive integration of the labour markets including those relating to employment statistics and estimates.

Improvement of living and working conditions so as to make possible their harmonization while the improvement is being maintained

(i) to establish appropriate consultations between Member States on their social protection policies with the particular aim of their approximation on the way of progress;

(ii) to establish an action programme for workers aimed at the humanization of their living and working conditions, with particular reference to:

(a) improvement in safety and health conditions at work;

(b) the gradual elimination of physical and psychological stress which exists in the place of work and on the job, especially through improving the environment and seeking ways of increasing job satisfaction;

(c) a reform of the organization of work giving workers wider opportunities, especially those of having their own responsibilities and duties and of obtaining higher qualifications;

(iii) to persevere with and expedite the implementation of the European Social Budget;

(iv) gradually to extend social protection, particularly within the framework of social security schemes, to categories of persons not covered or inadequately provided for under existing schemes;

(iv) to promote the coordination of social security schemes for self-employed workers with regard to freedom of establishment and freedom to provide services;

(vi) to invite the Commission to submit a report on the problems arising in connection with coordination of supplementary schemes for employed persons moving within the Community;

(vii) progressively to introduce machinery for adapting social security benefits to increased prosperity in the various Member States;

(viii) to protect workers' interests, in particular with regard to the retention of rights and advantages in the case of mergers, concentrations or rationalization operations;

(ix) to implement, in cooperation with the Member States, specific measures to combat poverty by drawing up pilot schemes.

Increased involvement of management and labour in the economic and social decisions of the Community, and of workers in the life of undertakings

(i) to refer more extensively to the Standing Committee on Employment for the discussion of all questions with a fundamental influence on employment;

(ii) to help trade union organizations taking part in Community work to establish training and information services for European affairs and to set up a European Trade Union Institute;

(iii) progressively to involve workers or their representatives in the life of undertakings in the Community;

(iv) to facilitate, depending on the situation in the different countries, the conclusion of collective agreements at European level in appropriate fields;

(v) to develop the involvement of management and labour in the economic and social decisions of the Community.

Lays down the following priorities among the actions referred to in this Resolution:

Attainment of full and better employment in the Community

1. The establishment of appropriate consultation between Member States on their employment policies and the promotion of better cooperation by national employment services.

2. The establishment of an action programme for migrant workers who are nationals of Member States of third countries.

3. The implementation of a common vocational training policy and the setting up of a European Vocational Training Centre.

4. The undertaking of action to achieve equality between men and women as regards access to employment and vocational training and advancement and as regards working conditions, including pay.

Improvement of living and working conditions so as to make possible their harmonization while the improvement is being maintained

5. The establishment of appropriate consultations between Member States on their social protection policies.

6. The establishment of an initial action programme, relating in particular to health and safety at work, the health of workers and improved organization of tasks, beginning in those economic sectors where working conditions appear to be the most difficult.

7. The implementation, in cooperation with the Member States, of specific measures to combat poverty by drawing up pilot schemes.

Increased involvement of management and labour in the economic and social decisions of the Community, and of workers in the life of undertakings

8. The progressive involvement of workers or their representatives in the life of undertakings in the Community.

9. The promotion of the involvement of management and labour in the economic and social decisions of the Community.

Takes note of the Commission's undertaking to submit to it, during 1974, the necessary proposals concerning the priorities laid down above;

Takes note of the Commission's undertaking to submit to it, before 1 April 1974, proposals relating to:

- (i) an initial action programme with regard to migrant workers;
- (ii) the setting up of a European Vocational Training Centre;
- (iii) a directive on the harmonization of laws with regard to the retention of rights and advan-

tages in the event of changes in the ownership of undertakings, in particular in the event of mergers;

Notes that the Commission has already submitted to it proposals relating to:

(i) assistance from the European Social Fund for migrant workers and for handicapped workers,

(ii) an action programme for handicapped workers in an open market economy,

(iii) the setting-up of a European General Industrial Safety Committee and the extension of the competence of the Mines Safety and Health Commission;

(iv) a Directive providing for the approximation of legislation of Member States concerning the application of the principle of equal pay for men and women,

(v) the designation as an immediate objective of the overall application of the principle of the standard 40-hour working week by 1975, and the principle of 4 weeks annual paid holiday by 1976,

(vi) the setting up of a European Foundation for the improvement of the environment and of living and working conditions,

(vii) a Directive on the approximation of the Member States' legislation on collective dismissals.

Undertakes to act, at the latest five months after the Commission has informed the Council of the results of its deliberations arising from the opinions given by the European Parliament and the Economic and Social Committee, if such consultations have taken place, or, if such consultations have not taken place, at the latest nine months from the date of the transmission of the proposals to the Council by the Commission;

Takes note of the Commission's undertaking to submit to it before 31 December 1976 a series of measures to be taken during a further phase.¹

¹ OJ C 13 of 12.2.1974.

Social action programme
(submitted by the Commission to
the Council on 25 October 1973)

1. Since its inception the European Community has achieved a substantial increase in the rate of economic growth, which has literally transformed the life and the face of Europe and brought to the great majority of its people higher living standards and wider horizons.

2. But greater prosperity has not resolved the social problems of the Community, and indeed in some cases it has exacerbated them. There are the problems of those regions and groups which have not fully participated in the general advance, and which, in some cases, find themselves falling further and further behind. There are continuing, and in some cases worsening, problems over the distribution of income and wealth within the Community, and over worker participation within industry. There are problems caused by the failure of the infrastructure in some sectors to keep pace with the demands on it. And then there are the problems caused by growth itself—problems of industrial pollution, of a deteriorating environment, of a conflict of values in some cases between industry and society, disruptions to the pattern of life, and a growing dependence on migrant workers whom society is not always ready to accept as citizens while it continues to require their services to maintain its standard of living.

3. Unless these problems—of inequalities and of the unacceptable by-products of growth—can be resolved, economic growth will fail to provide the improved quality of life which our peoples rightly expect from it. Indeed, it may be impossible to maintain the rhythm of growth itself in face of the social pressures and resistance it generates. Economic growth and an active programme of social reform are not antithetic. The purpose of economic growth should be to widen the range of social options available to the peoples of the Community by bringing about a continuing rise in living standards and the quality of life. Unless the process of growth can be put more fully at the services of society, growth itself may become politically unacceptable.

4. It is not the Commission's aim to centralize the solutions of all the social problems of the

Community, nor would it wish to see introduced a single social policy tackling all social problems in the Community in a uniform manner. Nor does the Commission propose the transfer to Community level of responsibilities and functions carried out more appropriately at other levels. Equally, the proposals in this Action Programme are not intended as a substitute for national policies. Rather, each Action is envisaged, and will need to be examined, in the context of what individual Member States are doing and can be expected to do within the limits of their resources.

Nor does this Action Programme seek to mitigate the responsibilities of Member States within the social field.

5. On the other hand, there are problems in the social field which are common to all Member States and which could best be dealt with on a Community basis rather than in isolation; the number of these problems will grow with the increasing integration of the economies of the Member States as progress is made towards economic and monetary union. The Community's economic relations with the rest of the world produce their own internal reactions. As the liberalization and expansion of world trade goes steadily forward, and our relations with the developing countries are enabled to grow by policies of trade and aid, so structural adjustments come about in the Community economy itself. It has been recognized in all Member States that this whole process demands a more active Community social policy if the well-being of all the peoples of the Community is to be maintained. Furthermore, without Community solidarity, the less-favoured Member States and regions will find it increasingly difficult to solve their problems; serious disparities in the rate of social progress and social standards between Member States could distort competition and thus retard the development of full economic union. It is, therefore, clear that close and continuous collaboration between national administrations and Community institutions is going to be increasingly necessary in the months and years ahead. Similar collaboration, as

already stated, is necessary between the Social Partners and the Community institutions, both globally and in individual sectors.

6. The preamble to the final declaration of the Conference of Heads of State or Government in Paris in October 1972 states:

'Economic expansion is not an end in itself. Its firm aim should be to enable disparities in living conditions to be reduced. It must take place with the participation of all Social Partners. It should result in an improvement of the quality of life as well as in standards of living.'

and further:

'The Heads of State or Government emphasize that they attach as much importance to vigorous action in the social field as to the achievement of the economic and monetary union. They thought it essential to ensure the increasing involvement of the Social Partners in the economic and social decisions of the Community. They invited the institutions, after consulting the Social Partners, to draw up, between now and 1 January 1974, a programme of action providing for concrete measures and the corresponding resources, particularly in the framework of the Social Fund...'

In the light of this communiqué, the need for a continuing commitment of all Member States to an active programme of social reform at Community level is clear and inescapable.

This Action Programme represents a response to the Summit mandate, following the 'Guidelines' drawn up by the Commission on 18 April 1973 and subsequently discussed with the Council of Ministers and Social Partners.

7. Of course, this Action Programme does not represent the first writing on a '*tabula reserata*'. The establishing Treaties contain *specific social provisions* on the strength of which a number of actions are now in hand or planned, as earlier outlined in the Commission paper 'Preliminary Guidelines for a Social Policy Programme in the Community',² published in February 1971. The Treaties' *powers of action*

on the social side, however, appear inadequate for some of the purposes of this Programme, and the Commission accordingly feels the Article 235 procedure should certainly be resorted to if need be. As for the *financial instruments* of the policy and the terms of reference of the Social Fund, these were deliberately expanded in 1972 to enable the Fund to act as a more positive instrument for employment policy. As matters now stand it remains the main instrument in social policy, and its resources must therefore be increased to be commensurate with the Summit aims. Other financial instruments at the Community's disposal include the ECSC Treaty's retraining and redevelopment provisions, the operations of the European Investment Bank and the EAGGF Guidance Section, Community-aided social and medical research under the ECSC and Euratom Treaties, and the future Regional Development Fund. Furthermore it may be recalled that among the proposals in the Science and Technology Action Programme which the Commission submitted to the Council in August 1973 is one for an outline research programme on the medical side.

8. Nevertheless, it is the case—as the Summit Conference communiqué indicates—that there is now a greater sense of priority and urgency about social policy in the Community. The reasons are those set out in the paragraphs above: the fact that the Community has now reached a stage in its economic and social development when it can, and indeed must, afford to question more critically the pattern and the costs of economic growth and the distribution of its resources. One must also bear in mind that our Community is today not only richer, but also better educated and informed. With better education and information come increased, and entirely legitimate, demands for a more just society and a better quality of life.

¹ Supplement 4/73 - Bull. EC.

² Supplement 2/71 - Annex to Bull. EC 4-1971.

9. The three main objectives of an autonomous Social Action Programme which emerged from the discussions at the Summit Conference and which were spelt out in the 'Guidelines for a Social Action Programme' are:

- (i) full and better employment;
- (ii) improvement of living and working conditions;
- (iii) greater participation of workers and employers in the economic and social decisions of the Community.

The relationship between the different Actions in the Programme is set out below under each of these three headings.

Full and better employment

10. Full employment must be a primary aim. It is the responsibility of governments and the Community to ensure full employment through adequate economic and financial policies. The objective must be to create enough jobs for the present and future working population of the Community, so that no worker is forced by economic pressures to migrate in search of work. This is why the Commission, on the one hand, envisages in its proposals in the field of regional policy the setting up of incentives for the creation of new jobs and, on the other hand, seeks to emphasize, in this present programme, the vigorous role of social policy in this field through the development of the necessary corresponding actions.

But job creation by itself will not be enough to achieve and maintain full employment in the Community. The European integration process, technological developments and many other factors will continue to cause many structural changes in the employment market, bringing about the disappearance of many existing jobs and the demand for new skills. Without an active social and employment policy there is a danger that the structural imbalances which exist at present will become more serious.

This calls for a more imaginative approach to the concept of full employment. Training to enable a worker to realize his full potential is in any case a basic human need and right, and an essential aspect of the educational objectives of the Community. This need is highlighted by the risk of insecurity arising from the changes listed above, and the opportunities for better employment that these changes can provide. At the same time, better training facilities will also benefit industry in the Community in helping it to adapt more efficiently to a rapidly changing technological and market situation, while the provision of a trained labour force is essential for the successful development of the regions. Social policy instruments must be especially concerned with the human aspects of the overall strategy for full employment, that is, they must ensure access to the employment best suited to individual capacities and to the collective well-being. A more dynamic Community policy on vocational guidance, vocational training, retraining and rehabilitation is therefore of great importance.

The Commission envisages a number of new initiatives in various fields to give vocational training a wider importance. The proposed *European Centre for Vocational Training* (Action II₂) will provide an essential operational instrument for developing a common policy on vocational training, in particular by improving the exchange of information, promoting research and coordinating training standards and qualifications. Apart from the expansion of training facilities where the need is greatest, improvement of training methods must depend not only on the workers' acceptance that training is necessary but on the solution of the problems posed by possible loss of earnings during a period of vocational training or retraining. That is why the Commission attaches so much importance to the introduction of *general training incentives* involving income guarantees (Action II₃).

For improving the situation of *women at work*, better vocational training and initial vocational guidance and more retraining facilities later on represent an indispensable but only partial solution. It is necessary to create facilities at

Community level to provide not only for an intensive information campaign, but also to encourage initiatives in all related fields, aimed at gradually achieving equality between men and women on the Community labour market including measures to enable women to reconcile family responsibilities with job aspirations (Action II₄).

The main instrument available to the Commission for an active labour market policy is, as already indicated, the *Social Fund*. Expansion of the Social Fund must be seen as an essential precondition of this Social Action Programme. While the Regional Fund will have the possibility to part-finance capital schemes and assist the creation of employment opportunities, the Social Fund's task will be to help ensure the acquisition of appropriate skills by the labour force in the regional development areas.

In addition to its specific contribution in this field and to its role in promoting retraining schemes, the Social Fund will, over the coming years, be increasingly involved in dealing with the problems of specific categories of workers. The need for concerted efforts on behalf of migrant workers and handicapped people, in particular, warrants an extended use of the Social Fund on their behalf (under Article 4 of the Council Decision of 1 February 1971) (Action I₁). Special consideration will also be given to the problems encountered by elderly workers, unemployed school leavers and women seeking to take up employment after a period away from work (Action III₂). The Commission plans in addition to have recourse to Article 4 of the Social Fund in connection with measures to deal with the structural problems of some industries.

The *handicapped* constitute a group which deserve immediate consideration by the Community as a whole. In addition to those handicapped from birth, there is a growing proportion of the working population who, because of disabilities acquired since birth, are unable to lead an independent existence and earn their own living. Their physical or mental disabilities make them vulnerable not only to severe psy-

chological pressures of adjustment but also to a serious reduction in earning capacity and job opportunities. As a first step, the Commission is making immediate proposals to the Council for an action programme for handicapped workers in the open labour market (Action I₂) which will be closely linked to the opening up of Article 4 of the Social Fund for handicapped workers (Action I₁). In the longer term, there will also be a wide programme of specific actions to improve the chances of social integration of all handicapped people (Action II₆).

A special responsibility of the Community must be towards the *migrant workers*, who now exceed 6 million and with their dependents probably 10 million. The existing instruments of Community social policy are inadequate to deal with the immense issue of migration. Industrial, regional and external investment policies must be used to deal with the fundamental causes of the imbalance between rich and poor countries and regions. But immediate social problems encountered by migrant workers and their families must be tackled as an urgent Community issue. As a first step the Commission is making immediate proposals to the Council for the opening up of Article 4 of the Social Fund to alleviate the problems of migrant workers (Action I₁). A programme of action on the social and living conditions of the migrant population is a major priority, as is the coordination by the Member States of their policies towards the movement of migrant workers from third countries to and from the Community (Action II₂). This programme must gradually be integrated into an overall Community strategy, embodying clearly defined objectives to coordinate action at all levels, in Member States and in relation to third countries. Equal treatment, equal rights and equal opportunities for migrant workers must not merely be seen as objectives but also as a practical reality in a Community of social progress.

A number of important actions are required in the field of the *European Labour Market* to protect workers. These include the regulation of the activities of private employment services to eliminate wherever possible abuses arising in

the field of contract labour (Action II₇). With regard to actions of a technical nature, the Commission has already submitted proposals to the Council concerning conflicts of laws on labour relations within the Community (Action IV₁). The Commission will also take further initiatives towards intensifying cooperation between the national employment services (Action II₁), and improving employment forecasting and especially current and prospective analysis of trends relating to labour qualifications (Action III₃). Continuing efforts must be made to provide comparable statistical tools (Action IV₂), without which policy planning at Community level would be ineffective. The system of young worker exchanges will be extended to provide greater opportunities for young people to develop wider horizons and more varied professional experience (Action III₁).

Improvement in living and working conditions

11. The improvement of living and working conditions must, of course, be the ultimate objective of all policy within the Community. It goes without saying that the basis of a better life for the people of the Community must be the safeguarding and strengthening of the institution of the family, the basic cell of social life, and all the policies of the Social Action Programme are concerned in one form or another to help in this regard. While much of our concern must be focussed on relations and conditions in the workplace, social policy must affect all aspects of life.

The improvement in living conditions and the 'quality of life' does not solely depend on increases in incomes and social benefits. It requires a courageous policy of investment in social services and amenities to satisfy the needs of modern society. This consideration must affect the implementation of numerous actions advocated in this programme, such as those relating to child care, facilities for working mothers, amenities and services for migrant workers, handicapped persons, elderly persons, etc.

The present structure of social benefits within Member States represents a scene of considerable diversity. It is no part of the intension of the Commission to recommend a uniform system in the Community, or to seek to eliminate the many disparities resulting from different national priorities, needs and values. At the same time, the Commission has a clear duty to seek to establish minimum standards of social protection capable of being regularly improved.

Moreover, there are certain underprivileged groups within the Community, the improvement of whose conditions constitutes, by any reckoning, a social priority.

The examination of the scope for *ensuring that social benefits throughout the Community rise in line with the increase in the standards of living of the working population* is a question to which the Commission attaches considerable importance (Action II₁₀).

The Commission proposes to study a number of specific measures with representatives of the Member States, e.g. progressive coordination of Member States' social security arrangements for self-employed persons moving from one Member State to another, and other groups (Action II₉) and supplementary benefits not hitherto payable to migrant workers (Action II₉). Better information is needed on present and foreseeable conditions in the Member States in order to establish priorities in the sphere of *social protection*. Hence the need for the European Social Budget (Action III₅) and the further development of the system of social indicators (Action III₆).

Quite apart from the measures proposed in this programme to deal with particular aspects and causes of poverty, the Commission recognizes that there will still remain problems of *chronic poverty* which are unacceptable in an advanced society. There is in the Community a neglected minority of chronically poor, such as the 'unemployable' and their families, families on exceptionally low incomes or fatherless families. Because they are unable in many cases to help themselves or to respond to the help being offered them, these groups find themselves trap-

ped in an almost inescapable cycle of poverty. The rehabilitation of these people and their families is primarily the responsibility of the Member States. However, the Commission believes that it can help the Member States to identify the problem and methods of solution through pilot studies and experiments involving among others social workers, psychiatrists and vocational guidance experts (Action II₁₁).

In addition, there are special problems connected with the *elderly*, not all of which are limited to the provision of financial assistance. The Commission is completing a study of the social problems of the elderly in the Community from which new Community initiatives may be developed in order to assist Member States in their search for solutions to these problems.

In the field of *wages and working conditions*, the Commission believes that there are certain guidelines which, in the interests both of social progress and the equalization of competitive conditions, should be recognized as basic objectives throughout the Community, to be achieved as quickly as possible. As a first step the Commission is asking the Council to fix as immediate targets the 40-hour week and four weeks' annual holiday (Action I₃) and implementation of the principle of equal pay for equal work between men and women, on which a new legal instrument is shortly to be proposed (Action I₄). The establishment of basic wages minima should also in the Commission's view be recognized as an objective to be reached as quickly as possible in the Community as a whole (Action III₁).

One of the outstanding problems in the Community at present is that a number of industries, because of their unattractive working conditions, are tending to become 'ghetto' areas reserved for migrants. Among these are industries demanding large scale repetitive work, including assembly line industries such as motor car manufacture. These industries are already conscious of the need to remove as far as possible, the monotony of work by techniques of *job enrichment*, if they are to have a future in a world of full employment where the worker is no

longer driven by economic necessity to accept whatever job he can get. The Commission believes it important to encourage such efforts by all means possible, in accordance with the need to improve the quality of working life and will be taking appropriate action (Action III₁₀).

Of equal importance are measures to remove *dangers and nuisances at work* and to make work acceptable. The Commission is making immediate proposals to the Council for the establishment of a general committee for industrial safety and for the extension of the competences of the Mines Safety and Health Commission to cover opencast mining and other mines (Action I₃). An Action Programme on industrial safety (Action II₈) is envisaged for the end of 1974. Improvements are needed in the statistics for industrial accidents (Action III₁₁). In the field of radiation protection, further measures are envisaged to extend the invaluable safety and health programme built up over the years on the basis of the Euratom Treaty (Action III₁₃). Similar activities are now being developed in the framework of the environmental policy, to eliminate or reduce the various environmental hazards and nuisances (Action III₁₂).

A vital role in improving understanding of problems in the environmental field and in analysing possible solutions can, in the view of the Commission, be played by the proposed *Foundation for the Improvement of the Environment and Living and Working Conditions* (Action I₆), which will be able to concentrate on research into the fundamental, longer term problems of creating an environment in which people will be happy to live.

A Community concern for health cannot in the long term restrict itself to problems of industrial medicine, accident prevention and pollution control. The Commission feels that the time has come for the Community institutions to take up wider problems in the health field. In all Member States, there are emerging aspects of *public health* which justify coordination such, for example, as health protection for foreign workers and their families, prevention of mental and psycho-somatic illness related to working and

living conditions and a wider approach to prevention and care of social diseases. The Commission will examine these areas in order to prepare proposals for action in the public health field at Community level.

Finally, no programme to improve living and working conditions can afford to ignore the question of *social housing*. A study programme in this field is being prepared within the Commission's services. Conclusions to be drawn from these studies will be proposed in due course (Action III₁₄).

Finally, the Commission is currently drawing up, in accordance with the Council's instruction issued on 13 March 1969 and confirmed on 27 July 1971, a comprehensive list of arrangements in operation or planned in the Member States with respect to *asset formation*, in order to submit its conclusions on the subject (Action III₆). More systematic information is also needed on the distribution of income and assets throughout the Community (Action III₆).

Participation and industrial democracy

12. Within the structure of industry, greater participation is needed. This need increases in line with the rapid changes, due in particular to technological progress, and to the size of firms, including development of multi-national companies. The future development of company structure is being actively debated in all the Member States. Some of these have already included in their legislation direct participation of workers in the decisions of enterprises (Action III₁₅).

The issue of worker participation in industry has also risen at Community level. The Commission has already made proposals in this respect. They are embodied in the draft Statute for the European Company¹ and in the draft 5th directive on the harmonization of Company law.² These proposals are at present being discussed in the consultative and representative institutions of the Community. The Commission considers it desirable that conclusions be

reached as soon as possible on this matter which is of growing importance to the Community (Actions IV_{3, 4, 5}).

Greater participation of the social partners in the decision-making process at Community level also arises. Its importance increases with the growing integration of the Member States' economies and with the increase in the number and scope of Community decisions. Efficient structures are therefore necessary to develop such participation and to render it as effective as possible.

In particular the Commission considers that the *Standing Committee on Employment* should be used more extensively as the main organ for dealing with all matters having a fundamental impact on employment. In addition, the Commission, together with the other parties in the Committee, will seek the most appropriate methods for improving the operation of this Committee, in order to enable it to attain fully the above-mentioned objectives. For its part, the Commission will meet the European Social Partners before the end of 1973 to discuss the best means of improving substantially the latter's participation in the drawing up and implementation of the Community's policies.

The Commission considers that a directive on collective dismissals (Action I₁) should be adopted by the Council as a matter of urgent priority in order to reduce job insecurity, which is today a potent and evident cause of industrial unrest and suspicion. The Commission also envisages the immediate submission of a directive on the protection of the rights of workers in mergers. In the case of national mergers, provisions for agreements between management and workers have already been proposed in the third directive on company law.

An important instrument for promoting industrial democracy and participation exists in the *mixed or joint committees*, of which at present there are seven. The Commission proposes to extend these to all sectors where the social

¹ Supplement to Bull. EC 8-1970.

² Supplement 10/72 - Bull. EC.

partners so wish (Action III₁₆). The Commission is of the opinion that European collective agreements in the most suitable fields should be drawn up so that problems can be solved in the context of such agreements—both at Community level and in the Member States. But the Commission has no intention of interfering in the independence of the social partners in collective bargaining. The Commission is in any case ready, if both parties wish it, to help in the practical preparation of negotiations with information and technical assistance. In this context it is helped by the mandate given it by the Council in November 1972 to compile a Community index of collective agreements in 13 specified branches of industry, which is now being completed.

Finally, the Commission considers that its proposal to assist in the establishment of an independent but Community-financed *European Trade Union Institute* (Action II₁₂) will correspond to the growing need felt by the Trade Unions to extend the training of their members on European affairs.

Annex I

List of actions on which immediate proposals will be put to the Council

Action I₁

Assistance from the European Social Fund for migrant workers and handicapped workers.

Action I₂

An action programme for handicapped workers in an open market economy.

Action I₃

The setting up of a European general safety committee and the extension of the competences of the Mines Safety and Health Committee.

Action I₄

A directive providing for the approximation of legislation of Member States concerning the application of the principle of equal pay for men and women.

Action I₅

The designation as an immediate objective of the overall application of the principle of the 40-hour week between now and 1975, and the principle of 4 weeks annual paid holidays between now and 1976.

Action I₆

The setting up of a European Foundation for the improvement of the environment and living and working conditions.

Action I₇

A directive on the approximation of the Member States' legislation on mass dismissals.

Annex II

Details of the priority actions on which the Commission considers that the Council should decide in the period 1974-76

The texts contained in this annex are of an indicative nature. The objective, the present situation and the means are indicated in each case. Proposals within the framework of each action will be submitted at a later date taking into account the social development in the Community.

Action II₁

Cooperation between national employment services

Objective—To improve cooperation between national employment services at both policy and operational level, in order to contribute to the realization of a full and better employment policy throughout the Community. In order to achieve maximum effectiveness such cooperation should take into account policies and activities in such related fields as investment, regional development, vocational training and migration.

Present situation—Cooperation to date between the national employment services has been largely at an operational level. Over the past ten years, there have been many valuable exchanges of views, information and experiences on such topics as placement techniques (including the use of data-processing equipment) and the recruitment and training of personnel.

However, there has been no systematic contact between the national employment services at a policy level to discuss the broader issues of employment policy (such as the implications of changes in the age-composition of the labour force, or the effect of changes in industrial structures).

Means—Regulation 1612/68 relating to the free movement of labour, and the plan for cooperation between the national employment services agreed upon in 1967 are the basis for further

cooperation, particularly at the operational level. The Commission will make a careful assessment of the first results of actions already started regarding the transmission of job vacancy information between national employment services (SEDOC job classifications and studies in the use of computers) in order to assess the extent to which they can be further developed.

The Commission will organize policy level meetings of national officials early in 1974 to discuss the development of national employment policies, the possibilities for collaboration between countries concerning such policies, and to assess the impact of the European Social Fund in the context of such policies. In addition, the Commission is ready to participate in discussions on the problems involved in the creation or the development of tri-partite committees at the regional level to advise on specific employment policies for the areas concerned.

Action II₂

Vocational training programme

Objective—To give a new impetus to the common policy of vocational training through the creation of an operational unit to collaborate with the Commission in particular with a view to:

- (i) developing the exchange of information and experience;
- (ii) promoting coordinated research in the Member States in relation to Community perspectives, and especially as concerns educational technology;
- (iii) organizing pilot schemes for training instructors and for workers from those categories or sectors for which training has a particularly strong effect on the level of employment;
- (iv) intensifying efforts to bring about an approximation of training standards and qualifications;
- (v) to promote and support initiatives which seek to enlarge or improve the structure of vocational training in those regions particularly lacking in such structures;

(vi) stimulating vocational guidance and information activities.

Present situation—The need for this kind of specialized Community unit has been recognized during the last few years by the European Parliament, the Council, the Economic and Social Committee and by the Social Partners. This unit will be able to make a contribution to research projects and specific activities related to the development of the 'First measures to implement a common policy of vocational training' which were the subject of a proposal submitted to the Council in November 1972. (Council document 1872/72 Soc. 245). A certain number of these 'measures' have already been agreed and are at present being carried out.

Means—The Commission upholds the other seventeen actions contained in this document on which the Council reserved its agreement pending decisions to be taken in the context of the present social action programme. The Commission will presently invite the Council to give its approval to these remaining actions.

As regards the creation of a specialized unit, to be called the 'European Centre for Vocational Training', the Commission will shortly present a detailed proposal to the Council. The administrative organs of the centre will include representatives of the Social Partners. The Centre will be financed essentially by the Community budget. It will draw up annual reports on activities.

Action II₃

Income maintenance for workers during periods of retraining and job search

Objective—To aid the re-adjustment of labour of economic and technical change by encouraging the establishment of adequate national schemes for income support for workers during retraining and subsequent job search, with Community support where appropriate.

Present situation—Growth and change in modern industry can result in a need for large

scale redeployment and retraining by the labour force. Insofar as such redeployment and retraining is undertaken within a given firm, the cost, both of wages and of the training arrangements, is normally met by the firm itself. However, workers who are made redundant may have to bear a large part of the cost of this readjustment. Alternatively, they become a burden on social security funds. Efforts by member countries to establish retraining schemes for redundant workers have been substantial, but somewhat unequal. The schemes and such associated arrangements for income maintenance as exist, tend to be weaker in countries with a lower income per head, although that is where the need is greatest.

The Social Fund is a first step in the Community move towards a dynamic social policy. It makes it possible for the Commission to support specific projects in the field of industrial adjustment. The encouragement of Member States to establish or improve incentives for retraining would both contribute to an improved attitude among workers towards industrial change, and ensure that the burden of such change rests on society rather than the individual workers.

Means—The proposed scheme would involve:

- (i) A commitment by member countries to introduce adequate income maintenance for workers during retraining and subsequent job search;
- (ii) Community support towards the cost of income maintenance, linked with the development of Community targets in the field of employment. These should be based on a continuous assessment of national manpower policies and an assessment of the contribution of the Social Fund to such policies (cf. Action III₁).

The Commission will undertake a thorough study of the ways and means of implementing the scheme for Community support for income maintenance in the light of Community targets and existing national policies, and may present proposals during 1974, given that such a scheme cannot at present be incorporated in the Social Fund.

Action II₄

Women's employment problems

Objective—To bring about a situation in which equality between men and women obtains in the labour market throughout the Community through the improvement of the economic and psychological conditions, and the social and educational infrastructure. Immediate priority could be given to the problems of providing facilities to enable women to reconcile family responsibilities with job aspirations.

Present situation—Continuing differences between the pay career structure of men and women can be attributed to many causes, including:

- (i) lack of career guidance, vocational training and retraining;
- (ii) frequent discrimination in conditions of recruitment and in job evaluation;
- (iii) interrupted career pattern on account of motherhood;
- (iv) lack of adequate facilities for working mothers.

At present, there are no facilities at European level for coordinating and concerting national efforts to solve these wide ranging problems.

Means—An *ad hoc* group is being set up to assist the Commission in identifying lines of action, in addition to those referred to in the conclusions of the report on equal pay. (See Action I₄). The Commission will present proposals during 1974 which will include:

- (i) the creation of a Community documentation centre on women's problems and an information service to help change attitudes concerning women at work (for employers, public services, educational bodies and women's Organizations);
- (ii) preparation of a Community contribution to the International Women's Year 1975 of the UN;
- (iii) the creation of a permanent working group on women's employment problems.

The *ad hoc* group and, later on, the permanent working group will help the Commission to study the problems and the possibilities of Community action particularly in the following fields: recruitment, job re-entry after maternity, vocational guidance, training and retraining, child care facilities, flexible working time arrangements, etc. A first set of proposals will be presented before the end of 1974; proposals will be discussed with the Standing Committee on Employment.

Action II₅

Action programme for migrant workers

Objective—To achieve an equality in living and working conditions, in wages and salaries and in economic and social rights, and to ensure the participation in Community life for all migrant workers and their families, whether they come from the countries of the Community in the framework of the free movement of workers, or whether legally admitted from third countries, and also to coordinate the immigration policies of Member States as regards third countries.

Present situation—Employment policy should be concerned with the creation of new jobs in underdeveloped or declining regions so that employment will be brought to the workers and 'forced' migration can be ended. This objective can only be achieved progressively through a comprehensive and effective Community regional policy, but whilst migration is continuing, equal rights and treatment for all migrant workers and their families from Community, as well as non-Community countries, who have been admitted legally to employment and residence in the territories of the Member States, must be assured.

The migrant population live and work in conditions substantially inferior to those of the indigenous population. Discrimination against migrant workers exists in various forms throughout the Community, in such matters as social security, housing and rights to participate at different levels of decision making. Discrimin-

ation—taken in a wider sense to mean a lack of a sense of responsibility towards a section of the resident population—is particularly widespread and is shown in the serious lack of reception centres, advisory services and educational facilities for both the migrant worker and his children. In another way, it is shown in the recruitment of migrant workers to carry out the unpleasant jobs which are refused by the local labour force.

As a result of Community regulations, workers who are Community nationals retain the benefits of those acquired rights in each Member State in the field of Social Security. This is not so in the case of migrant workers from third countries, who represent more than 75% of the total migrant worker population.

The overseas recruitment and immigration policies of the Member States are, in their diversity, not compatible with a coordinated employment policy at Community level, nor are they consistent with the aims of the Community policy towards the developing countries.

Despite numerous initiatives to improve the situation of migrant workers at the national and local level, there is an urgent need for the Community to assume its overall human responsibilities towards the whole migrant population, irrespective of its country of origin. Extending the use of the Social Fund in favour of migrant workers represents an immediate step in this direction, but in the longer term the Community must supplement incentive schemes with an overall strategy involving minimum standards and guarantees in the framework of a coordinated immigration policy.

Means—In view of the complexity of the problems involved, the Commission will intensify its activities in various sectors of policy and, at the same time, develop an overall approach to coordinate different aspects.

Social security

Further initiatives to coordinate social security schemes will, as in the past, be based on the following principles:

- (i) non-discrimination between nationals and foreign workers;
- (ii) transfer of benefits from one Member State to another, or to the country of origin;
- (iii) aggregation of periods of insurance completed for the purpose of entitlement to or calculation of benefits.

The following measures are being prepared:

- (i) a proposal to the Council to eliminate discrimination in respect of benefits coming within the scope of social assistance and demographic policy in certain countries;
- (ii) a comprehensive report by a tripartite working group on the possibilities of coordinating supplementary schemes involving contractually agreed benefits (following on from the adoption of Regulation 1408/71 by the Council);
- (iii) a draft regulation to coordinate social security schemes regarding the self-employed in order to eliminate obstacles to the freedom of establishment and the freedom to supply services. This will be prepared by a mixed working group with representatives of self-employed workers and of the ILO, as well as the Social Partners and governmental experts. A preliminary draft Directive will be submitted early in 1974 to achieve overall coordination at the national level of schemes for the self-employed with those of wage earners;
- (iv) the implementation of the three principles as concerns nationals of non-member countries within the framework of an instrument for gradually coordinating immigration policy;
- (v) the improvement of existing regulations in the field of social security of migrant workers.

Housing and social services

Owing to the lack of systematic and comparable information about the social conditions of migrant workers, the programme of studies, enquiries and seminars will be intensified. In the field of housing, a survey of the housing conditions of migrant workers in the Commu-

ity, as requested by the Council, will be completed in 1974. In the context of a study on public sector housing (Action III₁₄), the problems of migrant workers will also be closely studied. Particular attention will be given to reception facilities, including training, language studies and special education provisions, and attempts made to draw up a proposal under Article 235 of the EEC Treaty, for a minimum standard of welcoming service.

Participation and job enrichment

The Commission is looking into these issues at several levels, including:

- (i) the development of immigrants' consultative councils and foundations in local communities;
- (ii) attempts to eliminate the dehumanizing effects of unpleasant and monotonous work and in connection with the European Foundation for the Improvement of the Environment and Living and Working Conditions (see Actions I₆ and III₁₀).

Overall strategy

An *ad hoc* group of high-level representatives of the Member States is being set up to assist the Commission in planning an overall strategy. The group will undertake an immediate examination of the situation, including not only the topics mentioned in Points 1-3, but also the basic issue of the coordination of immigration policies for workers from third countries. In this context, the conditions for taking up permanent residence in the Community and for participation in the political life of the host country will equally be examined.

The *ad hoc* group shall discuss with the Social Partners and other organizations interested in migrant workers' problems, etc. and shall submit an initial report with suggestions for action during 1974. The Commission will make a first set of proposals to the Council before 1 April 1974. National and local authorities in various fields of activity will be involved in the implementation of proposals.

Action II₆

Long-term programme for the social reintegration of handicapped people

Objective—To develop a common approach towards the problems encountered by those whose disablement prevents them, either temporarily or permanently, from finding ordinary employment and from leading an active and independent life, with the aim of improving the chances of social integration for all mentally and physically handicapped persons, including children.

Present situation—Many new initiatives have been taken recently in the field of special employment facilities, housing policy, social and medical services, education, vocational training, etc. but these vary widely between different Member States. Whilst diversity as such is not to be discouraged, there is a need for a much greater exchange of information, not only on methods and techniques but also on the practical implementation of policy at the local community level. As yet there is no common conception of the link between medical and vocational rehabilitation, or between normal and special employment, or between social security, social services and other forms of social assistance.

Means—The Commission will be extending its activities in a number of specific fields, including:

- (i) vocational training and special employment facilities—the *ad hoc* group which worked on the report on 'The Employment of the Disabled in the Open Labour Market' will continue its work making proposals before the end of 1975 for Community initiatives in the field of special employment;
- (ii) housing policy—in the framework of the study on public sector housing (see Action III₁₄), special attention will be given to the housing needs of the handicapped;
- (iii) social services—further studies and seminars giving particular attention to local experiments to involve the severely handicapped in the life of the community.

The Commission will also examine the ways and means of integrating these various aspects into a global approach and of setting up a consultative body to assist in formulating proposals for Community activities. The Consultative Committee for the Rehabilitation of Disabled Persons (see Action I₂) might well be adapted to meet this task.

Action II₇

Supervision of contract labour hiring

Objective—To contribute to a better supervision of the activities of temporary work agencies in order to protect the rights and interests of the workers concerned and to eliminate abuses thereof.

Present situation—The phenomenon of contract hiring of labour is becoming increasingly widespread in the Community. Existing or planned legislation in Member States governing temporary work agencies is very varied. Moreover, it is not at present possible to ensure that the provisions of Community law in respect of non-discrimination between workers of member countries are not abused, especially when workers are sent from one country to another. In particular, workers are often unaware of their legal rights, and may be denied access to any unemployment, sickness, or accident insurance schemes. The Advisory Committee on the Freedom of Movement for workers advised on the necessity of taking Community action in the field of temporary work in October 1972.

Means—As a first step, the Commission will shortly present a draft Directive aimed at improving cooperation between national employment authorities by establishing a regular flow of information. A process of collaboration and mutual assistance in advising on the licensing or registration of temporary work agencies will enable the national employment services to supervise the activities of such agencies and thereby protect the workers concerned.

The Commission will also begin consultations, particularly with the Standing Committee on Employment, to examine the need for any further initiatives at Community level.

Action II₈

Action programme on 'Industrial Safety'

Objective—To obtain a real improvement in environmental conditions and a distinct improvement in safety in the largest possible number of companies.

Present situation—The Community has, up to the present time, encouraged research on improving the prevention of sickness and accidents, it has assisted cooperation between professional organizations and administrations and has endeavoured to give common guidelines on legislation to be implemented by the Member States. These actions must be coordinated and developed, but this in itself is not sufficient to guarantee the achievement of the desired objectives without an overall approach designed to:

- (i) impose uniform obligations as laid down by law or regulation applicable to all undertakings;
- (ii) make more extensive use of incentives which will involve ensuring that means for better prevention are available and accessible. This requires, in particular, a greater emphasis on the adoption of prevention methods, their teaching and their application in practice;
- (iii) coordinate measures for prevention to be taken both inside the undertaking's premises and outside.

The importance attached by Social Partners to the improvement of working conditions could produce concrete and generalised results.

Within the framework of the programme on the environment, the Commission has already undertaken to make concrete proposals, particularly on industrial health. These actions will be included in the overall approach.

Means—The Commission is completing a series of preparatory studies started in 1972 on:

- (i) the assessment of environmental factors and their effects;
- (ii) the methods of accident prevention and the improvement of working conditions, hygiene and safety.

On this basis, and in collaboration with the Joint Committees, the General Safety Committee and the Mines Safety Commission, an action programme will be drawn up and proposed before the end of 1974. This programme will set up the necessary means (documentation, research, exchanges of experience, legislation, development assistance) in order to:

- (i) determine methods and reference values for the prevention of specific risks as well as criteria for correctly interpreting the results and for improving the organization of work;
- (ii) provide training for workers on safety matters and improve the training of staff with special responsibilities in industrial prevention and inspection;
- (iii) contribute to the rationalization of work and, to this end, facilitate action by the social partners at the plant level;
- (iv) organize Community-level cooperation of organizations and national institutes specializing in the technical aspects of prevention.

Action II₉

Extension of social protection

Objective—To contribute to erasing the pockets of poverty and hardship that still exist throughout the Community by extending social protection to those people not covered or inadequately provided for, under existing schemes.

Present situation—Inadequate protection exists in different forms in the Community. Certain categories of persons are simply not provided for in some countries. They may be those with no employment, or marginal categories of wage-

earners or certain self-employed people. Sometimes social insurance is inadequate in scope, leaving incapacity for work and certain basic types of medical treatment uncovered. Sometimes the actual level of protection is inadequate.

Means—The Commission will convene an expert working party early in 1974 to assist in drawing up a plan of action. The group will study the Commission's report on the personal range of application of social security, which has been sent to the Council and which is to be completed by the end of 1973 as regards the situation in the three new Member States. The group will also examine the link between social security and social assistance.

The Commission will put forward a programme before the end of 1974 which will involve a series of measures, together with a costing and financing schedule, to be implemented in stages up until 1980. (The specific proposal on the dynamization of social benefits, Action II₁₀, should be seen in the context of this overall plan.)

Action II₁₀

'Dynamization' of social security benefits

Objective—To bring about a situation in which all beneficiaries of social security benefits can share in rising prosperity by linking the real value of social benefits to the increase in incomes enjoyed by the productive sector of the population, and, thereby help to guarantee adequate social protection to all groups.

Present situation—Mechanisms for maintaining the purchasing value of social security benefits exist in varying forms throughout the Community. The real income of pensioners, widows, the permanently disabled, etc. may thus remain constant, but their relative income, as compared with the average earnings of the working population, declines. The existence of systems of linking the real value of social security benefits to the rise in real incomes is still fairly exceptional.

Means—The Commission will convene a group of governmental experts:

(i) to examine the various methods and national experiences in adjusting the real value of social benefits to trends in economic and sector growth :e.g. inclusion in economic plans, adjustment according to wages, incomes and price indices; periodic or automatic adjustment, etc.) and especially to examine the appropriate minimum ratio between retirement pensions and last earnings.

(ii) to make short and medium-term forecasts on the basis of different adjustment hypotheses and in connection with work on the social budget.

On the basis of the conclusions of the group, and after consulting the social partners, the Commission will make proposals to the Council before the end of 1975.

Action II₁₁

Action against poverty

Objectives—To assist the Member States in their efforts to ensure that the chronically poor are aided and equipped to increase their share in the economic and social well-being of the Community.

Present situation—There is a minority of chronically poor in the Community, for example, certain of the elderly, unemployable persons and their families, the socially maladjusted, large families with exceptionally low incomes, etc. This group is difficult to identify and measure, nevertheless the Commission has started research into the methodology for the evaluation and identification of such groups. Preliminary results should be forthcoming in 1974.

Moreover, the Commission is about to complete a study of the social problems of the elderly, in which certain aspects of chronic poverty will be examined.

Means—The Commission will examine the results of the research into methodology and will

discuss with experts from the Member States, including voluntary organizations which play a large role in dealing with the problems of the chronically poor, in order to determine the areas, in which concerted Community action could be undertaken. By the end of 1974, the Commission will propose a programme of pilot projects, to be undertaken in 1975/76, in which will be involved social workers, psychiatrists, guidance experts, etc.

The Commission's proposals will be a complement to the various actions proposed on behalf of the elderly, handicapped and underprivileged groups generally.

Action II₁₂

European Trade Union Institute

Objectives—To help the Trade Union organizations extend the training of trade union members in the European sphere.

Present situation—All the trade unions organizing are already making great efforts in the field of training their own members. In Europe itself, several trade union schools or institutes are operational on a full time basis. In their curricula these institutes cover European affairs. Nevertheless, it is clear from experience that without a Community context the best efforts in this direction tend to remain fragmented.

Means—The Commission will do all it can to help the European trade union organizations with a view to setting up a European trade union institute.

Annex III

Details of other supporting actions

The texts contained in this annex are of an indicative nature. The objective, the present situation and the means are indicated in each case. Proposals within the framework of each action will be submitted at a later date taking into account the social development in the Community.

Action III₁

Extension of young workers exchanges

Objective—To give young workers in the Community a chance to widen horizons and benefit from varied professional experience.

Present situation —The present programme of young workers exchanges, set up under Article 50 of the EEC Treaty, benefits a very limited number of young people and finds a very unequal response according to industrial sector and in different Member States. The facilities provided under the existing programme fall far short of those in many of the bilateral arrangements. It must be remembered that a general programme on youth exchanges is being prepared.

Means—The Commission will draw up a report assessing the achievements and inadequacies of the existing programme and present proposals, before the end of 1974, for improving and extending the scope of the joint programme. The following elements will be examined:

- (i) a guaranteed minimum infrastructure including preparatory language training, guaranteed minimum wage, organization of cultural activities;
- (ii) a control of results;
- (iii) wider system of recruitment of candidates;
- (iv) improved clearing systems;

(v) possibility of other Community incentives, including the use of Community Information Offices in the national capitals.

The Commission will draw up the report after due consultation with interested parties. The implementation of the programme will depend on relevant departments of national governments, and particularly on the active participation of industry. The Commission will also seek to involve more closely trade unions and young workers' organizations.

Action III₂

Unemployed school leavers, elderly workers and women re-entering employment

Objective—To assist in solving the problems faced by unemployed school leavers and elderly workers and women re-entering employment.

Present situation—The proportion of 15-25 year olds who are unemployed is alarmingly high in most Member States, not only in areas of stagnant economic growth. Equally serious is the number of elderly workers who face premature retirement or down-grading to lower paid activities. There is, moreover, a growing number of married women who are faced with difficulty in resuming employment on account of the lack of retraining schemes relevant to their needs.

These three groups suffer from the psychological as well as economic consequences of an unbalanced manpower policy. Provisions already exist in the Social Fund on the basis of Article 5 for intervention in favour of these categories.

Means—In addition to the use of the Social Fund, the Commission will examine the possibility of developing Community initiatives in favour of these groups of people.

N.B.: This annex does not include action III₄, this has been withdrawn by the Commission at the last moment.

Action III,

**Analysis, forecasts and research
on the labour market**

Objective—To improve current and prospective analysis of the labour market at Community level, through research into developments within different occupations and professions and trends in qualifications, and thereby to identify the implications for employment and vocational training policy in the Community.

Present situation—Existing cooperation, operating in the context of Regulation 1612/68 and of the plan agreed in 1967, is too limited and should be enlarged. There is a need for improving methods of analysis and forecasting, for developing similar methods between the different countries, for coordinating figures and for collecting data, both from companies and governments. There is a special need as regards statistical data concerning regions.

The pooling of experiences and perhaps resources would be particularly appropriate, especially in the relatively new field of trends in qualifications and professions.

Means—The Commission will draw up, with the aid of national experts, a research programme to investigate trends in qualifications and professions, and their implication for vocational training. This programme will be presented to Council in 1974. It is suggested that the implementation of this research programme should be entrusted to an outside body reporting to the Community authorities (e.g. the Centre for Vocational Training—Action II₂).

The Commission will propose, in 1974, an arrangement for cooperation in medium and long-term forecasting of employment, involving the examination and interpretation of existing national and community-wide forecasts, and the resulting policy issues. Major findings will be reported in the annual report on the employment situation.

Action III,

European social budget
(Survey and Forecast of social expenditure
and financing)

Objective—To acquire a comprehensive knowledge of the past and future development—short and medium-term—of social expenditure and methods of financing in the member countries of the Community, as a means of providing an instrument for the progressive convergence of social protection, in particular, and social policy in general throughout the Community.

Present situation—On the basis of a Council Decision of 9 November 1972, the Commission began to set up the first Community Social Budget in March 1973 in collaboration with governmental experts. This budget covers the period 1970-75 and covers the following areas:

- (i) social security;
- (ii) benefits not required by law paid by the employers;
- (iii) benefits paid to victims of war and natural disasters;
- (iv) social assistance.

This budget should be ready during the first part of 1974.

The Commission is awaiting a Decision from the Council on the proposals presented under the chapter concerning the work programme for the setting up of the European Social Budget. This programme was communicated to the Council in September 1972. Of the main proposals, it is worth noting the following:

- (i) the extension of the Social Budget (which already covers current expenditure) to cover capital expenditure;
- (ii) the time extension (5 years before and 5 years after the reference year, i.e. a total period of 11 years);
- (iii) the inclusion of both a short-term and medium-term period in the forecasting section;

(iv) the principle of a progressing horizon for the forecasts (moving forecasts renewed each year).

Later on, the Social Budget will be extended to cover vocational training for adults, and public sector housing.

Action III_c

Extension of social indicators

Objective—To provide comprehensive and comparative data on past and present developments in the social situation in the member countries of the Community, as a means of facilitating and encouraging the progressive convergence of social conditions in the Community, and of providing an essential basis for Community decisions concerning common targets in the social field.

Present situation—A first system of 'objective' indicators was published in the appendix of the 1972 Social Report of the European Communities. These indicators were limited in scope, being based largely on existing demographic and social statistics. At the Community level, there exists no systematic information on the more subjective aspects of the 'well-being' or the 'quality of life' of the general population.

Means—The Commission will shortly be setting up a working group composed of representatives of the Social Partners and of government, to examine how the existing system of social indicators can be improved and extended by:

- (i) adding other 'objective' data from existing statistics;
- (ii) developing 'qualitative' indicators (to reflect job satisfaction, development of cultural heritage, use of leisure, the environment, etc.) by means of special surveys and the coordination of national surveys.

The Commission will present a proposal concerning the organization and financing of statistical enquiries in connection with the establishment of a system of 'qualitative indicators' before the end of 1974.

The improved system of social indicators will be worked out by the services of the Commission and especially by the Statistical Office of the European Communities.

Action III_d

Minimum wages

Objective—To improve the situation of those people or social categories which have particularly low wages and thereby help eliminate the pockets of poverty that still exist in the productive sector of the Community.

Present situation—Certain groups of the population have remained on the fringe of the overall rise in prosperity in the Community. Apart from other proposals contained in this document which aim to ensure an adequate standard of living for the non-productive sectors of the Community (see Actions II⁹, 10, 11), complementary action on behalf of the lowest paid wage earners should also be considered. Minimum wage guarantees exist or are being considered in various Member States but as yet there is no concerted policy planning in this field at Community level.

Means—The Commission proposes to undertake a study of the lowest minimum or basic wages laid down in Collective Agreements or by wage councils in the main sectors and regions in the Community and of the level, development and methods of fixing legally guaranteed minimum wages which exist in certain member countries (field of application, cost of living adjustment, penalties, etc.). The results of the recent survey on the structure of industrial wages in 1972 will also be considered to make a realistic appraisal of regional and sectoral disparities in the lowest levels of 'take home' pay.

On the basis of this study, the Commission will formulate a number of conclusions for the Council. The aim will be to promote Community concertation between governments and Social Partners to bring about a selective and progressively harmonized upgrading of low wages.

Action III₈

Statistics on incomes and assets

Objective—To institute a system of objective and comprehensive statistical information on all forms of income and assets, to give a full picture of the distribution of wealth and the beneficiaries of rising prosperity in the Community, and thereby establish an essential base for policy making in the social field (cf. for example Action on Asset Formation, III₉).

Present situation—At both Community and national level, there is a serious lack of statistical information on the structure and evolution of different categories of self-employed incomes, and on capital and assets. This is in sharp contrast to the whole series of comparable Community statistics on wages, which have been available for years. A preliminary study of information on incomes and assets was submitted to the Council in November 1970. The Committee for Medium-Term Economic Policy reiterated the need to improve information on non-wage incomes in its Opinion of 19 July 1972.

Means—Present activities will be continued on the basis of the preliminary study aimed at setting up a system of Statistical Information on primary non-wage incomes.

In addition, the Commission will prepare the transition to a system of statistics of the finally disposable incomes of different categories of households so that the amount of transfers resulting from social security and taxation can be examined, thus clarifying the real extent of a possible 'redistribution of incomes'.

Furthermore, a preparatory study will be undertaken in order to resolve the numerous conceptual and practical difficulties which still impede the compilation of statistics and accounts of assets, particularly those of households.

These schemes will be set up in conjunction with the European Statistical Office and National Statistical authorities.

Action III₉

Asset formation

Objective—To clarify the basic political options in relation to asset formation and to examine the possible impact of asset formation on the redistribution of income and wealth.

Present situation—Certain varying efforts have been made recently to encourage asset formation among workers and low income groups. A purely descriptive inventory of national incentives to promote asset formation amongst workers in the six Member States has been completed, in collaboration with Government experts and the Social Partners. A supplementary report on the three new Member States is in progress. The list will include the schemes which are being applied or are planned as regards both the population as a whole, particularly low income groups (house purchase assistance, savings schemes, etc.) and also, more particularly, the special systems available to wage-earners (profit sharing, share option schemes, etc.). It is in this latter field, that there has been a recent surge of interest and consequently many new developments.

Means—The Commission will present to the Council as soon as possible a non-country descriptive inventory and the conclusions arising from discussions with the Governments and the Social Partners.

Action III₁₀

Job enrichment

Objective—To change those patterns of work organization which tend to dehumanize the worker and create working and living conditions which are no longer acceptable to ideas of social progress.

Present situation—Numerous workers are engaged in tasks which do not satisfy their creative and intellectual capacity, largely as a result of certain methods of work organization

and execution. While the main responsibility rests with the Social Partners for improving this situation, the Commission has already undertaken certain initiatives in the specific fields of worker participation (see Actions IV_{3, 4, 5}) and in vocational training (see Actions II_{2, 3}, etc.) which can lead to greater job satisfaction. It is however necessary for the Community to take complementary measures to improve the patterns of work organization, particularly in those jobs which are no longer acceptable to the vast majority of the population and for which migrant or casual labour must be recruited (see Action II_{5, 7}).

Means—The Commission will be examining the human, social and economic effects of repetitive work. A symposium involving the Social Partners and experts from different organizations is planned for Easter 1974 to assist the Commission in its work. Pilot experiments may be initiated as a result of discussions at the symposium. The proposed European Foundation for the improvement of the Environment and Living and Working Conditions (see Action I₆) will also give priority to this field of activity.

Action III₁₁

Statistical surveys on industrial accidents and safety

Objective—To contribute to a better assessment of accident risks and the implementation of a safety policy by recent, reliable and complete facts.

Present situation—In general, only data which has been collected for the purpose of compensating social security schemes is available and can not, therefore, be used easily on a comparative basis. On the other hand, sectoral statistics have been successfully obtained on coal and steel, from data supplied by the professional organizations and drawn up by the Communities Statistics Office. This practice could be extended to other sectors.

Means—Collaboration between undertakings and professional organizations which are repre-

sented on the Joint Committees and the Commission departments, on the basis of the means at their disposal, and in accordance with the following timetable:

- (i) definition of the general conditions and the methods for sectoral surveys, within the framework of the 'industrial safety' action programme;
- (ii) consultation on this basis with the existing Joint Committees and those which are to be set up; the drawing up of a phased programme for implementing annual sectoral surveys;
- (iii) implementation of the statistical programme;
- (iv) assessment, after a certain period, of the work which has been carried out. Conclusions to be drawn in respect of the setting up of a unified system for reporting accidents and for a statistical assessment of risks.

Action III₁₂

Health protection against pollution and environmental hazards

Objective—To draw up scientific criteria and to collect adequate information which can serve as common reference data for the elaboration of health protection and ecology standards.

Present situation—Exploratory studies are already being carried out in collaboration with laboratories and institutes in the Member States. The recently approved programme for the environment, which proposed a common methodology for the evaluation of the risks which pollution constitutes to public health and the environment, has given an extra impetus to this activity. It has opened the way for Community initiatives in this field which has direct relevance to activities in social affairs as well as to strictly environmental concerns.

Means—The Commission will undertake further consultations with national experts during 1973 and 1974 and present proposals to the Council before the end of 1974 on:

- (i) the harmonization of sampling methods and methods of analysis designed to control and supervise environmental pollution;

(ii) the establishment of criteria for harmful effects and of common health standards for certain types of pollutants in air and water, and for tolerable noise levels.

Activities will be expanded in this field and further proposals presented in following years.

Action III₁₃

Extension of the programme for radiation protection

Objective—To extend Community initiatives in the field of radiation protection.

Present situation—Activities are already numerous in this field. The consultation procedure on the proposed revision of the radiation protection standards, first approved in the form of a Council directive in 1958, is virtually complete. Studies in progress include several which are directly related to the applications of the basic standards at national level, particularly in the field of medical radiological protection and protection against certain electro-magnetic rays. The multi-annual research programme set up in 1972 in the fields of biology and health protection also provides essential scientific support for basic and derived radiation protection standards.

Means—Various proposals are due to be submitted to the Council in the next few years and may therefore be considered as part of the whole social action Programme:

(i) draft directive for the revision of the basic radiation protection standards to be submitted in October 1973;

(ii) proposals for improving the protection and safety of workers and the general population from electro-magnetic rays, to be submitted during 1974;

(iii) proposal for limiting the exposure of individuals subjected to ionizing radiation in its medical application to be submitted before the end of 1974;

(iv) preparation of proposals for more adequate supervision of exposure to ionizing

radiation omitted by certain consumer goods, for probable submission in 1976;

(v) proposal for a new five-year programme in biology and health protection to be decided by the end of 1975.

Proposals will be drawn up by the Commission in conjunction with national experts and the 'Basic Norms' group, according to procedures laid down in Article 31 of the Euratom Treaty.

Action III₁₄

Social Housing

Objective—To help solve the housing problems of low income or under-privileged groups, such as migrant workers and handicapped people.

Present situation—As the Commission of the European Communities has acquired a wide experience in promoting housing for miners and steel workers (under the provisions of the ECSC Treaty), *inter alia* projects involving the modernization and reconversion of old housing, it is envisaging particular schemes in favour of the above-mentioned groups.

Means—The Commission will undertake studies and propose experimental projects in this field in order to assist the special programmes for the handicapped (see Action II₆) and for migrant workers (see Action II₅).

Action III₁₅

Workers' participation

Objective—To promote an increased participation by workers in industry.

Present situation—The representation of workers' interests in industry is the subject of different regulations in the Member States of the Community. The different forms of the representation of workers' interests are under active

discussion at the present time. In certain cases distinct improvements have already been achieved.

Means—The Commission will make a comparative study of the present systems of workers' representation in industry and also of the experiments that have been carried out and the present trends in this field in the different Member States.

Action III₁₆

Extension of Joint Committees

Objective—To promote general improvements and progressive harmonization of working conditions, by further encouraging dialogue and agreement between the Social Partners at the European level on ways to deal with problems arising in specific industrial sectors in the course of economic and social development.

Present situation—The Mixed Committees on harmonization of terms of employment established by the High Authority of the ECSC for the Coal and Steel sectors, and the Joint Committees, set up by the EEC Commission over the last decade in the fields of agriculture, road transport, inland waterways, sea fishing and railways, have all done useful work in negotiating improvements in the working conditions in these sectors. Negotiations are under way for the creation of other committees in sectors where specific problems will arise and for which the Treaties make no provision for a common policy. The Commission is carrying out the mandate conferred upon it by the Council in November 1972 concerning the setting up of a European index of collective agreements, which forms an essential foundation for dialogue and negotiations at European level.

Means—Over the next few years, the Commission hopes to set up new Joint Committees in various sectors involving sea transport, textiles, construction, ship-building, the food industry, ports and docks, air transport and commercial travellers. During this time, further studies will

be undertaken for the creation of new committees in later years. The utility of this form of collaboration is assessed by the Commission according to the attitudes expressed by the Trade Union and Employers' Organizations in question.

N.B.: It is to be recalled that the Commission has already made proposals on this matter. They are included in the draft Statute on the European Company, which was submitted to the Council in June 1970 and in the draft fifth Directive on the Organization of company law, which was submitted to the Council in October 1972.

Annex IV

**List of Actions for which Proposals
are already being discussed in the Council**

Action IV₁

Draft regulation relating to the provisions on conflicting laws governing labour relations within the Community, submitted to the Council on 23 February 1972.

Action IV₂

Draft regulation on the setting up of comparable statistics on migrant workers, submitted to the Council on 6 June 1972.

Action IV₃

Draft regulation on European company law submitted to the Council on 30 June 1970.

Action IV₄

Proposal for a third Council directive to coordinate the safeguards which Member States require of companies as defined in Article 58, paragraph 2, of the Treaty in order to protect the interests of members and other parties in mergers of joint-stock companies, submitted to the Council on the 16 June 1970.

Action IV₅

Proposal for a fifth directive to coordinate the safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, as regards the structure of joint-stock companies and the powers and obligations of their organs, submitted to the Council on October 1972.