

INTERNATIONAL LABOUR CONFERENCE

48th SESSION

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Address by Professor Lionello Levi Sandri

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Mr. Chairman, Ladies and Gentlemen,

The already keen interest shown by the Commission of the European Economic Community since its inception in the activities of the International Labour Organization, its annual conferences in particular, has been heightened by developments in 1964.

The excellent report of your Director-General, which, as last year, provides the basis for our discussions, deals with matters of vital interest for the future of ILO. Once again it has an introduction rich in ideas and food for thought, which will give every person and organization with responsibilities in social matters the opportunity of reflecting upon such problems and their solutions, which are of particular importance at the present moment.

Last year when I had the honour of speaking at the 47th session of the conference, I stressed the concordance between the ideas and intentions of the EEC Commission and those contained in the report, particularly concerning the priority of social aims, and I outlined the action we had taken in certain important fields.

In accordance with the suggestions in the 1964 introduction, I shall say a few words on certain matters to which the Director-General wished to draw the special attention of the present conference.

In the first place: an incomes policy or, more precisely, certain aspects of it - certain problems it can present on the international plane. These are of particular interest to the EEC Commission, which has for years been urging, as part of Community social policy, that a suitable incomes policy be worked out at national and Community levels through contacts and agreements between Governments and employers' and workers' organizations. We believe that only in this way can future developments and the evolution of economic policy be taken into account - in the light of actual facts - and only thus can wage and other agreements be reached so that we may pursue a policy befitting such developments.

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In order to obtain all the necessary data for an assessment of the situation, the EEC Commission has made surveys of labour costs and workers' incomes in numerous Community industries.

The present economic situation confirms the wisdom of this viewpoint. In a recommendation recently addressed to the Member States, we stressed above all the need for an incomes policy ensuring as far as possible that nominal income per person employed does not rise faster than real national product per person employed. Such matters will henceforth be the concern of the Medium-term Economic Policy Committee, which was recently set up to help co-ordinate the general economic policies of the Member States.

In this field of incomes policy, the Community authorities, like the national authorities, will have to co-operate closely with the trade unions and employers' associations. Planning and working out an incomes policy at national and Community level does not imply any desire to interfere with collective bargaining, which is the concern of the trade unions, but rather to associate them with a policy going beyond matters of wages and for which, in any case, their consent will always be necessary wherever you have freedom of association.

This brings me to the role which, in the process of European integration, falls to industry and its representative organizations. This role is an essential one if the European edifice is to be endowed with a solid democratic foundation in keeping with the realities of economic and social life, and if we wish to uphold the priority of the social aims of the Paris and Rome Treaties, which was so rightly stressed in the Director-General's report. For this reason, in the social field and elsewhere, we have called on the appointed representatives of those engaged in industry to collaborate with the Community Executives, in tripartite or bipartite bodies and working parties, by the method which has proved its worth during ILO's

long life. Such collaboration is rendered easier by the existence of European organizations set up by the employers' and workers' associations operating in the six member countries. Without a doubt these organizations are bound to evolve - and this is the sincere wish of the EEC Commission - towards forms of European federations and confederations representative of employers and workers throughout the Community.

To turn for a moment to medium-term economic policy, I would say that its most important aspects, apart from the incomes policy, are vocational training policy, the European Social Fund, and measures to promote the free movement of workers in the EEC. In this sphere the terms of the problem are mainly the continual growth of the working population, changes in its structure caused by the movement of workers from agriculture to other sectors, the increased number of older persons, and special situations in certain regions, some of which have reserves of manpower and others a shortage. In 1963, out of a total labour force of some 72 million, the monthly average of unemployed was under one million. At the end of 1963, there were more than seven hundred thousand unfilled vacancies, although during the year over four hundred thousand workers from non-member countries had entered the Community and found jobs there.

Vocational training in the Community is based on a number of general principles established last year, the objectives of which correspond to those set out in ILO Recommendation No. 117. A tripartite committee promotes and supervises their implementation, and a conference will be held before the end of the present year to go more deeply into certain aspects. The conference will deal with the training of teaching staff and instructors and the adaptation of vocational training to economic, technical and social developments. Here we are counting very much on ILO's co-operation. Naturally the EEC Commission follows with great interest ILO's

work in this sphere, in particular the setting up of the Turin centre, the activity of which is of special importance to us in that it concerns the training and advanced training as technicians and instructors of nationals of the Community countries or persons who will be called upon to work in these countries.

Of the European Social Fund, I shall merely say that it has provided aid in the form of payments to Member States, as a contribution to expenditure on retraining and resettlement, totalling so far some 20 million dollars, and that it has thus been instrumental in the retraining of over 140 000 workers and the resettlement of another 120 000.

Regarding the free movement of workers, the period under review was marked by important new measures. On 1 May 1964 a new regulation and a new directive came into effect; these will replace the instruments adopted in 1961 and represent further progress in the implementation of the principles laid down by the Treaties. The former discrimination against foreign workers has now almost completely disappeared - not only as regards access to employment, wages and working conditions, but also membership of workers' representative bodies within the firm. It has also been made easier for a worker to transfer his family. Equal treatment for nationals and other Community workers will be fully established before the date laid down by the Treaty; all will have the same rights as far as work is concerned as citizens of a single Community.

Rules on social security for migrant workers, about which I spoke to the conference in previous years, are another means of eliminating obstacles to free movement. Numerous provisions improving and widening the existing rules came into force in 1963, and we are at the moment reviewing all these regulations in order to improve their content and form, to simplify administrative and

financial procedures, to speed up the payment of benefits and the settlement of accounts between the institutions in the various countries, and also to extend their application to seamen and self-employed workers. In these tasks, as in all the Commission's activity in this sphere, ILO is making a contribution which we warmly appreciate.

Another problem - closely connected with the free movement of persons - and one which is causing us some concern, is that of housing. In December 1963 we arranged a symposium on low-cost housing, which was attended by government experts, representatives of both sides of industry and of various bodies concerned. This allowed a fruitful exchange of ideas and experience on a subject of great interest. Once again ILO made a valuable contribution. A recommendation on housing for workers moving within the Community will shortly be addressed to the Governments.

The Director-General drew the special attention of the conference to matters pertaining to the status of the worker and his conditions of employment. They are of particular importance to us; indeed they have involved and are still involving us in a great deal of work. In this field the Commission has encouraged close collaboration between the Governments of the Six and between the associations representing employers and workers. Social security, the various aspects of safety in industry, and industrial medicine are some of the spheres in which such collaboration has been noteworthy. Measures to attain equal pay for men and women for the same work have made further progress; equal pay is to be the general rule by the end of the year. Special attention has also been paid to social problems in certain sectors, for instance agriculture and transport.

I should not like to conclude without mentioning what is being done for the benefit of the overseas States and territories associated with the Community. According to the balance-sheet

of the first European Development Fund, drawn up at the end of 1963, the Fund had made allocations totalling \$581 million. A breakdown of the investments as of 31 December 1963 shows that 64% of such aid was economic in character and 36% social. The entry into force on 1 June 1964 of the Association Convention signed at Yaoundé on 20 July 1963 will lead to an appreciable widening of the Community's responsibilities, and a multiplication and diversification of the forms of Community aid to the African countries and Madagascar. From these few remarks on certain aspects of the EEC Commission's activity you will have seen, I hope, how the principle of priority for social objectives has been manifest in the process of European economic integration. Such priority is ensured by the firm political will of the six Community countries which has taken shape and imposed itself thanks also to their share since the foundation of the Community in the work of the International Labour Organization. That is why this priority is a guiding principle for the EEC institutions, in particular the Commission. The close collaboration developed between the Commission and your organization is a valuable guarantee of this.

For this reason, too, I should like to express here once again our warm thanks to the ILO for what it has taught us and for its co-operation with us.

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