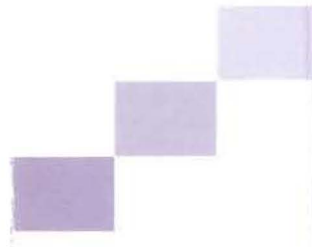


BUILDING THE SOCIAL DIMENSION



Sens: Europe
on the move



'Our long-standing ambition has been a society accessible to all. If it can achieve this, Europe will remain faithful to its model of society and to its tradition of openness and generosity. Parliament's legitimate and constant concern matches ours. We both want the Community's social dimension to match its ideal of justice.'

*Jacques Delors
presenting the
Commission's
programme for 1992
to the European
Parliament, Strasbourg,
12 February 1992.*

The European Community is rightly mindful of the rights of its citizens and its workers. The unemployed, the disabled and the elderly are entitled to its support. The fundamental right of EC citizens to live and work in the Member State of their choice is written into the Rome Treaty, the Community's founding charter. So are the commitments to improve the social protection of working people and to help the unemployed retrain for new jobs. Article 119 of the Treaty spells out women's right to equal pay for equal work. The first concrete action of the Community was to set up, in 1960, the European Social Fund (ESF) to improve job opportunities for the unemployed through retraining and the acquisition of new skills and to raise workers' living standards in general. It has been difficult over the years to ensure that the social dimension of the European Community kept pace with its economic and commercial integration. The single market programme has done more for business than it has for workers. But considerable efforts have been made in recent years to strike a better balance. The Community has helped create a new platform for the dialogue between workers and employers. In 1989, 11 Member States adopted a social charter of fundamental workers' rights. Britain did not join in. As part of the Maastricht Treaty, the same 11 agreed on a series of procedures and measures for putting the Social Charter into practice.

'Although prospects are brighter in some areas in the medium term, there is no denying that we still face major difficulties and social hardship. Those affected must not be left to suffer alone. I am well aware that unemployment, deskilling and the difficulty of obtaining new qualifications can lead to self-doubt, loss of confidence and despair.'

Jacques Delors, addressing a conference on Europe and German unification, Berlin, 6 June 1991.

MEETING THE CHALLENGE

Well before the formal start of the Community's single market in January 1993, EC leaders recognized the need for balance between its economic and social aspects. At a meeting in Rome in December 1990, Heads of State or Government declared that the establishment of the single market 'must result in a genuine improvement in employment and in the living and working conditions of all Community citizens'. In the future, the Community will be judged by many people on the way it responds to the challenge of rising unemployment in Europe.

Part of the reason for the delays in adopting social legislation in the past has been the need for unanimous

agreement among the Member States. Following the adoption by 11 Member States of the Agreement on Social Policy annexed to the Maastricht Treaty, many decisions will henceforth be taken by a qualified majority vote instead. This should speed up procedures.

The Maastricht Treaty builds on the other two pillars of Community social policy, the European Social Fund and the 1989 Community Charter of the Fundamental Social Rights of Workers.

THE EUROPEAN SOCIAL FUND

The Social Fund is the basic tool of Community policy. Its aim is to promote the geographical and occupational mobility of workers. With an annual budget of nearly ECU 5 billion, it directly benefits more than 2.7 million people a year. But the Social Fund is only part of what the Community spends in the inter-related fields of social, regional and rural development.



It was in 1989 that the Community took the decision to forge the three structural Funds into a single instrument of economic and social development. Taken together, spending in these three will exceed ECU 20 billion in 1993 or more than a quarter of the Community budget.

With eight million long-term unemployed and with many young people lacking the skills needed by the labour market, the Social Fund has concentrated on retraining schemes for the long-term unemployed and special programmes to help the under-25s get a job. Other beneficiaries of the Fund include workers threatened with unemployment, women, migrants and workers in small and medium-sized enterprises.

In 1990, the European Commission launched three major new human resources initiatives:

Euroform which aims to develop new skills and new job opportunities for the unemployed.

NOW whose aim is to create equal access for women to jobs and professional training.

Horizon which will promote the employment of disabled people and other less-favoured groups.

Also in 1990, the EC Council of Ministers adopted a resolution for the integration of handicapped youngsters into normal education programmes.



Since then, the Council has adopted an action programme in favour of the elderly and has declared 1993 as the Year of Older People and of Solidarity between Generations.

In addition, the **Helios** programme seeks, through the exchange of experience and information, to make it possible for disabled people to live independent lives and participate fully in all aspects of life within the Community.

Europe must rely first and foremost on its own efforts to promote economic growth and create new jobs.

The 12 principles enumerated in the Social Charter are:

1. The right to work in the EC country of one's choice.
2. The freedom to choose an occupation and the right to a fair wage.
3. The right to improved living and working conditions.
4. The right to social protection under prevailing national systems.
5. The right to freedom of association and collective bargaining.
6. The right to vocational training.
7. The right of men and women to equal treatment.
8. The right of workers to information, consultation and participation.
9. The right to health protection and safety at work.
10. The protection of children and adolescents.
11. A decent standard of living for older people.
12. Improved social and professional integration for disabled people.

THE SOCIAL CHARTER

As its name implies, the Social Charter sets out the basic principles concerning workers' rights and labour relations within the European Community. Since 1989, the Community has started the task of trans-



One of the objectives of the Social Charter is to improve health and safety at work. Over a dozen Community Directives have been adopted to achieve this and other objectives.

lating these principles into practice by means of EC legislation. Progress has been achieved in several areas, but only slowly.

PROTECTION FOR WORKERS

Each member country of the European Community has developed its own system of social security and labour market legislation. Much of this diversity will remain. What the Community seeks to do is to define a minimum set of basic rules to be observed by every country. If individual EC States have already moved to higher levels of worker protection or want to go further, they are entirely free to do so.

Harmonization of social legislation is difficult in a Community where living standards in the poorest country are less than half those in the richest countries. But the Community has chosen to level upwards, raising standards in the poorer countries rather than lowering those in the most advanced countries.



The starting point for worker protection is the right for an EC citizen to live and work in another Community country under the same conditions and for the same salary and social protection as workers of that country. Additional progress has been made in the protection of the social security rights of workers and their families moving from one EC country to another (payment of pensions, sickness insurance, family benefits). Students and retired persons, although not 'economically active', also have the right to live in the country of their choice.

Following the adoption of the Social Charter, initial focus was on measures to improve health and safety in the workplace. More than a dozen Directives have been adopted. A specific Directive has been agreed, extending health and safety protection to workers on temporary or fixed-term contracts.

Since then the Community has taken action in other areas in order:

- to create a new European information network for job vacancies known as **Eures** (European Employment Service);
- to oblige employers to inform workers of the conditions under which they are hired;
- to improve procedures in the event of collective redundancies;
- to promote schemes to enable workers to share in the profits of the companies they work for;
- to recommend common criteria for fixing adequate provisions in national social security systems.

Long before the single market was officially launched, the Heads of State or Government declared that one result should be a genuine improvement in job opportunities and working conditions for the citizens of Europe.

Harmonization while maintaining improvements

Community rules may under no circumstances obstruct or dilute national rules in the social field which are particularly progressive and generous to ordinary people.

For some time social legislation will continue to be more advanced in some Member States than in others.

The Community wants to implement a social charter which affords the best possible protection to **all** workers in **all** Community countries. This means laying down minimum conditions to be observed in all the Member States.

The Community's aim is to harmonize health and safety standards and all other social conditions while maintaining improvements which have been made.

The most prosperous Member States and industries are pursuing their own development of social policy. The Community welcomes this, for the only improvements that can be maintained are those that have actually been made.

Wage levels, the right of association, the right to strike and lock-outs are all areas lying outside the Commission's competence.

Different social situations

	Employment (1991)				Net hourly earnings in industry (1991) ECU	Social protection benefits (1990)	
	Total (1 000)	Agricul- ture (%)	Industry (%)	Services (%)		% of GDP	ECU per inhabitant
B	3 758	2.6	27.7	69.6	8.63	26.8 ³	3 517 ³
DK	2 650	5.4	26.0	68.6	12.47	28.8	5 613
D ¹	28 886	3.2	38.6	58.2	10.65	26.9	4 836
GR	3 643	21.6	25.0	53.4	3.67	16.3 ³	710 ³
E	12 916	10.4	32.3	57.3	6.54	17.8	1 690
F	22 322	5.6	28.8	65.6	6.77	28.0	4 401
IRL	1 125	13.7	28.6	57.6	7.40	20.6	1 876
I	21 946	8.3	31.5	60.2	7.62	23.6	3 350
L	197	3.0	29.9	66.5	8.37 ²	26.7	4 619
NL	6 521	4.5	25.2	70.3	8.71	31.2	4 393
P	4 898	17.3	33.3	49.4	2.10	17.0	758
UK	26 049	2.1	27.6	68.9	8.33	20.7 ³	2 627 ³
EC	134 911	6.1	31.2	62.4		24.6³	3 183³

¹ Federal Republic of Germany as constituted prior to 3.10.1990.

² 1990.

³ 1989.

Source: Eurostat.

EQUAL TREATMENT

Equal pay for men and women is a fundamental right embedded in the Rome Treaty. Although still not strictly enforced by Member States, its validity has been upheld on numerous occasions in cases brought before the European Court of Justice. In 1976, this principle was enlarged to cover equal treatment for both sexes in terms of access to jobs, vocational training and working conditions.

Action programmes have been developed to promote equal opportunities in a variety of fields. The third equal opportunities action programme, running from 1991 to 1996, aims to consolidate the legal framework for improving the position of

women in society. Specific legislation has been enacted on issues like child care for working parents and better health and safety requirements in the workplace for pregnant women.



Equal pay for equal work. The Treaty of Rome prohibits discrimination on grounds of sex. Although the principle is not universally respected, significant progress has been made, thanks, in part, to judgments handed down by the European Court of Justice.

WORKER CONSULTATION AND PARTICIPATION

The right of workers to be informed and consulted about decisions affecting their future has been the subject of a long-running controversy in the European Community. A draft Directive setting out rules for worker participation in the running of their companies has been under discussion since 1972. Its future remains unclear.

A second framework for worker consultation and participation comes in the draft statute for a European company. This allows companies estab-

lished in more than one Member State to opt, if they wish, for the status of a 'European company' rather than a national one. Under this formula companies would have three types of models for worker consultation to choose from.

In December 1990, the Commission proposed to EC governments a draft Directive for the creation of European works councils for informing and consulting employees of European transnational companies. A company operating in more than one EC State and having more than a certain minimum number of employees would have to allow the creation of a European works council if their workers requested it.

THE MAASTRICHT TREATY

The Maastricht Treaty marks the starting point for a new effort to speed the enactment of social legislation. The Agreement on Social Policy signed by 11 countries defines a number of policy areas which will require only a qualified majority vote instead of unanimity for approval.

These include setting minimum standards for the working environment, health and safety protection, other working conditions, information and consultation of workers, equality between men and women on the labour market and in their treatment in the workplace.

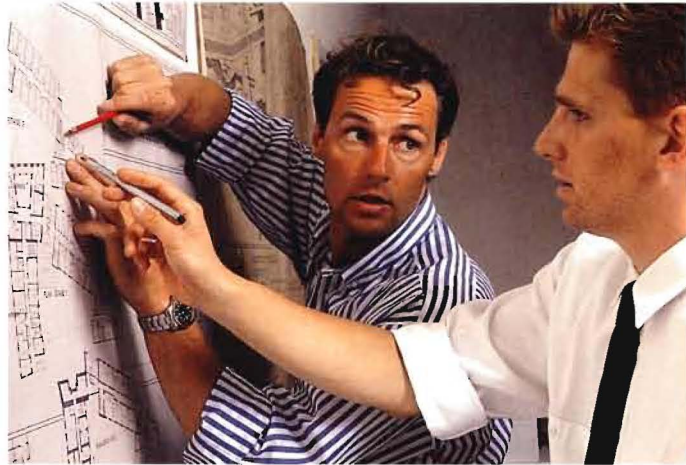


In other areas, unanimous agreement will still be required. These include social security, social protection, protection of workers following the ending of an employment contract and the collective defence of interests of workers and employers. The Agreement on Social Policy does not apply to pay, the right of association, the right to strike or lock-outs.

THE SOCIAL DIALOGUE

The Maastricht Treaty introduces the possibility of concluding collective agreements between trade unions and employers' organizations at European level. This follows an initiative by representatives from the two sides of industry who asked EC governments to write into the Maastricht Treaty their right to conclude collective agreements.

These agreements may be implemented once they have been adopted by a decision of the Council of Ministers.



Initially the single market did more for business than the workforce. The time has now come to develop its social dimension.

The social dimension of the single market

Most Europeans (65%) see the social dimension of the single market as 'a good thing'. Support for at least a minimum of social regulation at Community level is particularly strong in Italy (77%), Portugal (74%) and The Netherlands (73%), while the people of Luxembourg (54%), Denmark (55%) and the United Kingdom (57%) attach less importance to this kind of legislation. In Ireland 72% of people are in favour of Community rules in the social field, in Greece 71%, in Spain 70%, in Germany 63% and in Belgium and France 58%.

Source: Eurobarometer 36, December 1991



EN



This booklet is part of the *European File* series and appears in all the official Community languages – Spanish, Danish, German, Greek, English, French, Italian, Dutch and Portuguese.

Commission of the European Communities

Directorate-General for Audiovisual, Information, Communication and Culture

Editor: Publications Unit, rue de la Loi 200, B-1049 Brussels

Manuscript completed in January 1993

Photos: Eureka Slide

© ECSC-EEC-EAEC, Brussels · Luxembourg, 1993

Reproduction is authorized, except for commercial purposes, provided the source is acknowledged.

Printed in Germany

COMMISSION OFFICES

Office in Ireland

39 Molesworth Street, Dublin 2 – Tel. 71 22 44

Office in England

Jean Monnet House, 8 Storey's Gate, London SW1P 3AT –
Tel. 973 19 92

Office in Wales

4 Cathedral Road, Cardiff CF1 9SG – Tel. 37 16 31

Office in Scotland

9 Alva Street, Edinburgh EH2 4PH – Tel. 225 20 58

Office in Northern Ireland

Windsor House, 9/15 Bedford Street, Belfast BT2 7EG – Tel. 24 07 08

**Information services
in the USA**

2100 M Street, NW, Suite 707, Washington DC 20037 – USA
Tel. (202) 862-95 00

305 East 47th Street, 3 Dag Hammarskjöld Plaza,
New York, NY 10017 – USA – Tel. (212) 371-38 04

Commission offices also exist in the other countries of the European Community
and in other parts of the world



Office for Official Publications
of the European Communities
L-2985 Luxembourg

ISSN 0379-3133

Catalogue number: CC-73-92-885-EN-C