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INFORMATION MEMO

Manpower trends in the Community in 1963

In order to provide a regular analysis of the current and future effects on the labour market of economic developments, the EEC Commission since 1960 has drawn up an annual report on manpower problems in the Community.

The first part of the 1963 report indicates the general trend of the labour market during 1962 in each country and in the main branches of the economy. For the first time the report includes data broken down by region.

The report shows that the fall in the number of outstanding applications for jobs, which had already been noted in previous years over the Community as a whole, continued in 1962, while there was in general a further increase in the number of unfilled vacancies. Consequently, the labour market is still strained, particularly in Germany, the Netherlands and Luxembourg, where demand far exceeds supply.

Although a better balance was established in Belgium and France, shortages still occurred in certain regions and occupations. In France the flow of repatriates from Algeria caused a considerable rise in the number of outstanding applications.

In Italy, continuing economic expansion caused manpower reserves to dwindle further and led to some shortages of skilled workers, particularly in the north.

The second part of the report deals on a country-by-country basis with the prospects of the labour market in the light of probable economic developments. The economic outlook is on the whole favourable, though expansion will probably fall off a little. This should result in some easing of the labour market, but strains will not disappear altogether. The sizeable gap that existed in 1962 between supply and demand will probably persist, particularly as the main shortage is in skilled labour. So the 1963 report shows how well-founded was the anxiety already expressed on this score, both for the maintenance of regular expansion and for improved placing of workers.

In the third part of the report the Commission reaffirms the need for the Member States to take further internal action to reduce the strain on the market. The Commission also recommends that joint action be taken - or extended - by the Member States and the Commission, particularly on the following points: collaboration between the Member States with a view to co-ordinating their labour policies; efforts to improve vocational training, and particularly the elaboration of additional programmes of rapid vocational training in those sectors where labour shortages are most severe; measures for the medium- and long-term training of highly skilled workers and

technicians; the development of vocational guidance and the implementation of a programme of co-operation in that field; wide distribution of essential information on workers' opportunities to move about and take new jobs freely within the Community.

In short, all these proposals are intended to increase co-operation between the six States in any efforts which could improve the balance of the labour market.