

TALSMANDENS GRUPPE
SPRECHERGRUPPE
SPOKESMAN'S GROUP
GROUPE DU PORTE-PAROLE
GRUPPO DEL PORTAVOCE
BUREAU VAN DE WOORDVOERDER

**INFORMATION
INFORMATISCHE AUFZEICHNUNG
INFORMATION MEMO**

**NOTE D'INFORMATION
NOTA D'INFORMAZIONE
TER DOCUMENTIE**

Brussels, October 1974

Progress report on the implementation of the
social action programme

Almost two years have elapsed since the Heads of State or Government meeting in Paris in October 1972 invited the Community's institutions to draw up a social action programme before the end of 1973. The Commission carried out this mandate when it presented a draft programme to the Council of Ministers in October 1973. The Council, after consulting the European Parliament and the Economic and Social Committee, adopted the programme by a formal resolution of 21 January 1974. The Council expressed the "political will" to adopt the measures necessary to achieve a number of objectives in the social field covering the period from 1974 to 1976 and laid down a list of priorities concerning which the Commission will submit the necessary proposals during 1974.

First set of proposals

The Commission had, in fact, submitted concrete proposals for seven immediate actions to the Council several weeks after submitting the social action programme. These actions were:

- 1) assistance from Article 4 of the Social Fund for migrant and handicapped workers;
- 2) an action programme for handicapped workers in an open market economy;
- 3) the setting up of a European General Industrial Safety Committee and the extension of the competence of the Mines Safety and Health Commission;
- 4) a directive providing for the approximation of legislation of Member States concerning the application of the principle of equal pay for men and women;
- 5) the designation as an immediate objective of the overall application of the 40-hour working week by 1975 and 4 weeks annual paid holiday by 1976;
- 6) the setting up of a European Foundation for the improvement of the environment and of living and working conditions;
- 7) a directive on the approximation of the Member States' legislation on collective dismissals.

At the Council of Ministers in Luxembourg on 10 June 1974, the texts of the first three actions listed above were approved and thus became the first proposals of the social action programme to be implemented by the Council. The directive concerning mass dismissals was also on the agenda but at the request of one delegation it was postponed for decision until the next meeting later this year. The other three immediate actions, nos. 4), 5) and 6) above, may also be decided at this meeting as they have been discussed and approved by the European Parliament and the Economic and Social Committee.

Second set of proposals

The Commission had also undertaken to submit to the Council before 1 April 1974 proposals concerning:

- 1) an initial action programme for migrant workers;
- 2) the setting up of a European Vocational Training Centre;
- 3) a directive on the harmonisation of laws for the protection of the acquired rights of workers in the case of mergers and takeovers.

The Commission's proposals for 2) was sent to the Council before 1 April and for 3) after a short delay to allow for consultations with national legal experts. The normal consultation with the European Parliament and the Economic and Social Committee is now proceeding and the Council could be in a position to take the necessary decisions before the end of 1974. It is worth recalling that the Council has committed itself to act on the various Commission proposals at the latest five months after the Commission has informed the Council of the results of its deliberations arising from the opinions of the European Parliament and the Economic and Social Committee, if such consultations have taken place. Otherwise the Council will take action at the latest nine months after receiving the Commission's proposals.

Concerning 1) above, the initial action programme for migrant workers, the Commission submitted a progress report to the Council setting out in detail a number of specific actions which can be undertaken within the existing legal framework. At the same time Vice-President Hillery announced that the Commission, in accordance with the Council resolution, was preparing an action programme for migrant workers and their families to be submitted before the end of the year. A special task force is now preparing the various proposals which will have as aims:

- improvement of the conditions of free movement within the Community of workers from Member States;
- humanising this free movement by providing effective assistance during the various phases. Article 4 of the Social Fund, as mentioned above is now available to assist migrants and their families;
- achievement of equality of treatment for Community and non-Community workers and their families concerning living and working conditions, wages and economic rights;
- consultation on immigration policies towards non-Member States.

Actions between now and end of 1974

In accordance with the Council resolution the Commission between now and the end of the year will be presenting proposals for a further series of priority actions which will include:

- 1) action to achieve equality between men and women as regards access to employment, vocational training and promotion. A directive to strengthen the application of Article 119 of the Rome Treaty concerning equal pay for equal work has already been sent to the Council as stated above;
- 2) an initial action programme for health and safety at work beginning in those sectors where working conditions appear to be most difficult. The Council has already approved the Commission proposals to set up a European Advisory Committee on Safety, Hygiene and Health Protection at Work and to increase the powers of the Mines Safety and Health Commission;

- 3) the legal framework to permit the implementation in cooperation with the Member States of specific measures to combat poverty by drawing up pilot schemes. The Commission has already set up a working group of national experts to advise on future proposals and the results of a seminar held in June will give valuable help in the drawing up of the pilot schemes;

The Council resolution also referred to measures necessary to achieve:

- (a) appropriate consultations between Member States on their employment policies and social protection policies and the promotion of better cooperation between national employment services;
- (b) the progressive involvement of workers or their representatives in the life of undertakings in the Community and better involvement of management and labour in the economic and social decisions of the Community.

Concerning (a), the Commission is actively engaged in promoting such consultations and cooperation in ways which do not require new Council decisions although proposals for such decisions will be made if found necessary.

Concerning (b), Commission proposals for giving workers more influence in the administration of firms through the two-tier board system have already been made in the draft statute for a European Company and in the Fifth directive for the harmonisation of company law.

In the context of greater participation, the Commission intends to extend the present system of Joint Committees representing employers and trade unions which have helped in improving working conditions in the sectors of agriculture, road transport, inland waterways, sea fishing and railways. The work of the committees in facilitating collective agreements will be helped by the scheme the Commission has begun for setting up a European index of collective agreements.

A conference planned for the month of November on the subject of "Work organisation, technical development and motivation of the individual" will give the Commission valuable help in drafting its proposals on improving working conditions and assuring greater involvement for workers in the life of undertakings.

A number of other measures, already outlined in the Social Action Programme but not taken up in the Council resolution, will also be presented during this year. They include:

- plans for improving the analysis, forecasting and research on the labour market;
- proposals for an improved system of social indicators.

The Commission sees the Social Action Programme, together with the corresponding Council resolution, as a flexible framework which, while setting the principal objectives for social policy during the next three years, also enables the Commission to react to unexpected circumstances and to take direct action in presenting to the Council the proposals and reports as may be necessary.

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COMMUNITY SUGAR POLICY

The Commission of the European Communities has just forwarded to the Council formal proposals concerning the future Community sugar policy. These proposals embody the ideas already put forward by the Commission in its Memorandum of July 1973 and adopted, in its Communication of July 1974, to take account of the worsened situation on the world market. The aim of these proposals is to work out a domestic and external sugar policy for the Community to replace the current one which expires on 1 July 1975. Importance is attached in these proposals to the interests of the sugar-exporting developing countries.

Internal policy: production quota system

The Commission proposes that the existing system of production quotas should be maintained for a period of five years, covering the marketing years 1975/76 to 1979/80. However, these quotas would no longer be distributed according to countries, as is the case at present, but according to firms. The Commission recommends that the quota system should be maintained, as it allows for specialisation of the regions best suited to growing beet and for continuation of beet production in all areas of the Community, including those less suited to this type of production, which must nevertheless continue with it, for socio-agronomic reasons (Italy, Ireland, Overseas Departments). Finally, the quota system makes it possible to adapt Community production, if necessary, to any international commitments on the part of the Community, particularly as regards the sugar-exporting developing countries.

"A" Quotas

Sugar production in all the regions of the Community would be ensured by fixing a guaranteed price within a basic quota - the "A" quota - which would also be profitable for those regions less suited to growing beet. Each firm in the Community would be allocated this "A" quota, which would be equal to its average annual production for the period 1968/69 to 1972/73, and subject to a coefficient of 0.93. Each firm's quota, however, could not be less than its present figure. The total for the individual "A" quota would be 8.54 million tonnes (7.82 million tonnes at present). Full assurances as to prices and outlets would be provided for sugar produced within these "A" quotas.

"B" Quotas

Specialisation of sugar production in the Community could be encouraged, as in the past, by granting an additional production quota, namely the "B" quota. Producers of this type of sugar would also be given full assurances as to prices and outlets, but any expenses resulting from the sale of surplus sugar would be charged to them in the form of production levies. It would therefore chiefly

be the most profitable firms situated in the regions best suited to sugar production which would make use of the "B" quota. The Commission proposes that, for 1975/76, this quota should be 35% of the "A" quota. For subsequent marketing years the "B" quota could be adapted according to production and potential outlets.

"C" Quotas

According to the Commission's proposals the "C" sugar produced in excess of the "A" and "B" quotas could not, under normal world market conditions be sold in the Community: it would have to be exported. However, the Commission also proposes special measures for this sugar, which would make it possible for the Community to cope with a surplus or with a deficit. If there was a surplus on the world market, Community exports of "C" sugar could be limited, to take account of any international commitments on the part of the Community. The decision to limit Community sugar exports would, however, be taken only as part of an international agreement, and would depend on the willingness of the other developed countries to enter into equivalent commitments. If exports were limited, the sale of all or part of the "C" sugar on the internal market could be authorised. If there was a shortage, this authorisation would also be granted as long as the export of "C" sugar could be restrained by applying an export levy.

Other provisions

The majority of the other provisions relate to internal policy (minimum prices for beet, delivery contracts, stocks, etc.) have been carried over from the present system. New provisions have been introduced, however, with regard to the minimum stocks which each sugar manufacturer should hold in order to guarantee Community supplies. The Commission proposes that each manufacturer should be obliged to hold a stock of sugar amounting to at least 10% of his "A" quota. The stock may be released if this is necessary as a result of the market situation; it may also be made compulsory to sell this stock at a maximum price.

Preferential import arrangements

The Commission upholds its proposal of July 1973 in which provision was made for the Community to give a sales guarantee to the developing countries. This involves Commonwealth countries who are at present guaranteed access to the United Kingdom market under the terms of the Commonwealth Sugar Agreement which expires on 31 December 1974, and countries traditionally associated with the Community (AASM and OCT).¹ The sales guarantee for all these countries should cover an annual quantity in the region of 1.4 million tonnes. Import levies would not be charged on imports of this sugar into the Community.

The Commission also proposes that the developing countries concerned should be given a price guarantee. To this end a minimum price should be negotiated as part of a new association convention with most of the countries concerned - the so-called ACP countries - as potential signatories (the old Yaoundé Convention expires on 31 January 1975). In order to make the assurances as to prices and outlets absolutely certain, the Commission proposal lays down that the producer countries could, if necessary, offer their intervention sugar in the Community at the minimum agreed price.

¹Countries concerned: Commonwealth - Antilles, Guyana, Mauritius,
Fiji Islands, East Africa,
British Honduras, India, Swaziland.
Associated countries - Surinam, Madagascar, Congo.

The preferential imports system is supplemented by provisions relating to possible failure to deliver on the part of the supply countries. If the supplier country in question failed to deliver, in spite of sugar being available, its quota would be permanently reduced. If there were a shortage of sugar in that country, its quota could be reduced progressively, provided delivery could be re-established at a later date. The quantities by which the quotas of certain countries were reduced could be taken over by other developing countries covered by this system. If deliveries were late for reasons outwith the supplier's control, the Community could grant an additional extension of deadline.