

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 442 final.

Brussels, 23 September 1977.

Proposal for a Council Decision regarding European Social Fund
assistance towards women

Proposal for a Council Regulation concerning operations qualifying for
a higher rate of intervention by the European Social Fund

(submitted to the Council by the Commission)

COM(77) 442 final.

Proposal for a Council Decision regarding European Social Fund
assistance towards women

EXPLANATORY MEMORANDUM

1. Under the terms of Article 5 of the Council Decision of 1 February 1971, the European Social Fund can undertake measures for the absorption or reabsorption into an occupation of women aged over 35 "who wish to pursue a professional or trade activity for the first time or whose qualifications, after a lapse of time, are no longer those in demand."

However, to qualify for assistance from the Fund, this type of operation should either be undertaken in less-favoured regions, or should facilitate adaptation to the requirements of technical progress in economic sectors in difficulty, or be carried out in groups of undertakings forced to cease, reduce or transform their activity permanently.

The restrictive nature of these conditions has prevented the Social Fund from taking effective action to further the employment of women.

2. The situation on the labour market - in particular for women, who represent 36 % of the working population - is particularly disturbing : of 5.5 million registered unemployed in April 1977, 2.2 million or 39 % were women ; moreover, whereas unemployment amongst men has increased by 0.9 % since April 1976, unemployment amongst women has increased by almost 15 %.

In most member states unemployment is not only affecting young people, but equally women who wish take up or return to work usually after a period of domestic responsibilities ; these women are usually over 25 years old.

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One of the main reasons for this situation is the inadequate preparation of women for working life. Community research into specific problems concerning the employment of women shows that between 60 % - 85 %, depending on the country concerned, have had no vocational training or do not use their qualifications in their jobs.

These few data indicate a very serious imbalance in the employment situation for women great enough to justify specific Community assistance.

3. Consequently the Commission, in its memorandum to the Council on the review of the European Social Fund, of 23 March 1977 (1), proposed amending Article 1 § 2 of Regulation 2396/71 laying down the rules for the implementation of Article 5. This amendment was designed to expand the possibilities for granting assistance for women, inter-alia by abolishing the very limitative conditions referred to under 1 above.

The Social Fund Committee, when consulted on this proposal, was also in favour of extending possibilities for granting assistance for women. Several members, however, emphasised that a category of workers for whom a series of Community instruments and rules exist was ideally suited to the implementation of a specific common measure to improve the balance between supply and demand on Community labour markets, as provided for in Article 4 of the basic decision (2).

4. On examining the Commission's memorandum to the Council, the European Parliament and the Economic and Social Committee stressed the fact that women were one of the most vulnerable categories on the labour market and were in favour of assistance being extended to improve their position.

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(1) Doc. COM (77) 90 final.

(2) . Memorandum presented by the Commission to the Council in February 1975 on equal treatment for men and women (access to employment and training, advancement and working conditions).

. Council Directive of 9 February 1976 on the implementation of the principle of equal treatment.

5. The European Council, at its meeting in Rome on 25 and 26 March 1977, agreed that action should be taken to help solve certain problems concerning women's employment. At its meeting in London on 29 and 30 June 1977 it welcomed the agreement reached by the Social Affairs Council on 28 June aimed at improving the effectiveness of the Social Fund, under this agreement the Commission is to submit proposals for Fund assistance for a programme to deal with women's employment problems.

The "Social Affairs" Council of 28 June 1977 invited the Commission to submit a proposal making Fund assistance available to women pursuant to Article 4 of the Decision of 1 February 1971 ; its power to make this request derives from Article 4 § 1 of that Decision, which states that Fund assistance shall be authorised "by a specific decision taken by the Council acting by a qualified majority on a proposal from the Commission, the latter acting either on its own initiative or at the request of the Council or of one or more Member States".

6. In response to the Council's invitation, the Commission has to prepare a draft Council decision. Since the Social Fund is unable to give assistance to all the operations required in Member States to solve the problem of women's employment, the area opened for assistance ought to be limited to those actions which do most to remove specific obstacles to the employment of women. Thus given the present economic position the aim is not only to make a contribution in the fight against women's unemployment, but also to stimulate the introduction of measures which will ensure equal opportunity for women in the search for employment.
7. The guidelines mentioned below depart to some extent from the ideas contained in the memorandum from the Commission to the Council ; the Commission having taken into account discussions on the original draft by the various institutions consulted ; and acting through an intervention under Article 4 of the Fund has attempted to outline a specific common measure designed to make

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contribution to solving these problems as described in particular in the memorandum on the equal treatment for men and women as regards access to employment and training. Research by the Commission shows that the main obstacles to access to vocational training and employment are :

- inadequacy of guidance and vocational counselling services,
- the concentration of women in a limited number of training and employment areas,
- lack of prospection and placement facilities,
- insufficient follow-up at job level.

8. Taking into consideration the above points, the Commission recommends a programme containing the following provisions :

- a) Women must be aged over 25 ; since it is from this age that women meet the greatest difficulty in finding employment whether they are seeking work for the first time or returning after a period of domestic responsibilities.
- b) Training operations ought to be preceded by an induction programme for employment (given at a basic level on life in a company the different job prospects offered, etc.) and followed by measures designed to facilitate entry into employment at the level appropriate for their qualification. The various studies and pilot projects made on the employment of women partly financed by the Social Fund bring out the need for this set of complementary phases as necessary to ensure a lasting success of the training effort undertaken.

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9. To allow this development the Fund should also be able to help finance the specialist training of the necessary staff, especially in teaching methods, knowledge of the specific problems of women's employment and knowledge of the jobs and careers open to women apart from the traditional sectors towards which they are most often directed.

10. Article 3 of Council Regulation no. 2396/71, as amended by the Council Regulation of defines the aids for which assistance from the Fund may be granted.

11. Fund assistance for operations described in this proposal will not involve very large financial commitments ; these new operations will only develop slowly. According to a preliminary estimate, expenditure of the order of 8 million UA is to be expected in 1978. Subsequent experience will permit a more exact assessment of the appropriations required to finance this type of measure.

Council Decision on intervention by the European Social Fund in favour
of women

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Council Decision of 1 February 1971 on the reform of the European Social Fund, as amended by the Council Decision of ... (1), and in particular Article 4 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (2),

Having regard to the opinion of the Economic and Social Committee (3),

Whereas, at its meeting in Rome on 25 and 26 March 1977, the European Council agreed "in particular to seek action at the Community level in three directions : firstly to promote measures to help resolve specific labour market problems, especially in improving training and employment opportunities for young people and women ; ... To this end, the European Council invites on the one hand the Commission, in particular by the better use of Community instruments, ... to seek ways of improving the effectiveness of their activities." ;

Whereas the situation as regards women unemployed or seeking jobs shows the need for joint action specifically aimed at improving the balance between supply and demand on the Community labour market ;

Whereas the Council Decision of 1 February 1971 on the reform of the European Social Fund, and in particular Article 5 thereof, has not facilitated effective action to promote the employment of women ;

Whereas, when consulted on the review of the rules governing the tasks and operation of the European Social Fund, the Committee of the European Social Fund declared itself in agreement with the principle of expanding the scope for intervention by the Fund in favour of women ;

Whereas, in order to overcome specific obstacles to the employment of women, vocational training for women must be complemented by measures aimed at making it easier for them to prepare for working life and to find jobs commensurate with their training ;

.../...

(1) ...

(2) ...

(3) ...

HAS DECIDED AS FOLLOWS :

Article 1

1. Assistance may be granted from the European Social Fund pursuant to Article 4 of the Council Decision of 1 February 1971 on the reform of the Fund, as amended by the Council Decision of ..., for vocational training programmes for women over 25 years of age, provided that these programmes are encompassed within measures aimed at preparing the beneficiaries for working life and placing them in jobs commensurate with the qualifications obtained ;
2. Assistance may also be granted from the Fund for training schemes for vocational guidance counsellors, instructors and specialists in the placement of female labour.

Article 2

The types of aid eligible for assistance from the Fund pursuant to this Decision are those defined in Article 3 of Council Regulation No 2396/71 implementing the Council Decision of 1 February 1971 on the reform of the European Social Fund, as amended by Regulation (EEC) No ...

Article 3

This decision shall enter into force on

Done at Brussels,

For the Council

Proposal for a Council Regulation concerning operations qualifying for a higher rate of intervention by the European Social Fund

EXPLANATORY MEMORANDUM

1. In its opinion to the Council in connection with the review of the tasks and operation of the Social Fund, the Commission advocated greater concentration of Fund intervention on employment problems in regions marked by particularly serious and prolonged imbalances in employment or by the decline of one or several economic sectors of vital importance (1).

In view, in particular, of the limited resources available to such regions, it would be appropriate for the Fund to offer additional financial incentives to promote employment and vocational training opportunities in those regions.

2. At its meeting on 28 June 1977, the Council partially adopted the Commission proposal and envisaged inserting it in the new Article 8, paragraph 3 of the Council Decision of 1 February 1971 a provision stipulating that :

"for operations in regions with a particularly serious and prolonged employment imbalance - such regions to be defined by the Council on a proposal from the Commission - Fund intervention shall be increased by 10%" (2).

It nevertheless excluded the idea of applying an increased rate for regions experiencing the decline of one or several predominant sectors.

At the same time the Council undertook to specify the regions referred to in this paragraph before the end of 1977 and the Commission was invited, when drawing up proposals to this end, to concentrate mainly on the following : Greenland, the French Overseas Departments, Ireland, Northern Ireland and the Mezzogiorno.

These regions of the Community, as the Commission stated in its communication to the Council on guidelines for a Community regional policy, are still very backward in spite of the efforts made and require massive intervention by the Community over quite a long period (3).

(1) Doc. COM(77) 90 fin., 23 March 1977, p. 21, and section 3 of Annex I.

(2) Decision amending the Council Decision of 1 February 1971 on the reform of the European Social Fund (not yet published).

(3) Doc. COM(77) 195 of 1 June 1977, paragraphs 38 and 39.

3. The more thorough examination of the economic and social situation and in particular of employment in these regions leads the Commission to propose that only these regions benefit from increased intervention rates.

The most reliable indicators for per-capita gross national product, population structure and rate of activity, employment structure, unemployment level and trend and net migration cumulatively represent indisputable factors reflecting the structural weakness and underdevelopment of these regions. Moreover, their geographical location on the Community's periphery represents an additional obstacle to their integration. Finally, to evaluate the chances of a rapid improvement in the situation in these regions, account must be taken of their relative importance in the national economy from the point of view of population, area, activity and infrastructure (for Ireland, the region concerned is identical to the whole country). Preferential intervention by the Social Fund and other Community financial instruments appears the more justified in that in some cases the Member States concerned cannot, due to their financial position, resolve these problems alone.

4. A higher rate of intervention will not, at least in the short term, have any overall budgetary implications for the Fund. Nor should it, even in the longer term, affect the balance between the various types of operation, since applications under both Article 4 and Article 5 of the Decision of 1 February 1971 will qualify for the higher rate. On the other hand, it will immediately enable a greater proportion of the available funds to be used for the benefit of the five priority regions.

Proposal for a Council Regulation concerning operations qualifying
for a higher rate of intervention by the European Social Fund

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 127 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Having regard to the opinion of the Economic and Social Committee (2),

Whereas, pursuant to Article 8 paragraph 3 of the Council Decision of
1 February 1971 amended by the Decision of ..., the regions marked by an
especially serious or prolonged imbalance in employment, in which operations
carried out with assistance from the Social Fund shall qualify for a higher
rate of intervention, must be defined ;

Whereas particular account must be taken, in defining these regions, of
their slower economic and social development, their peripheral location in
the Community and their significance in their respective national economies ;

HAS ADOPTED THIS REGULATION :

Article 1

Operations carried out in Greenland, the French Overseas Departments,
Ireland, Northern Ireland and the Mezzogiorno shall qualify for the higher
rate of intervention provided for in Article 8 paragraph 3 of the Council
Decision of 1 February 1971, as amended by the Decision of ...

Article 2

This Regulation shall enter into force on ...

Done at Brussels

On

For the Council

(1) O.J. no. ... of ...

(2) O.J. no. ... of ...

The President

FINANCIAL SHEET

A. PROPOSAL FOR A COUNCIL DECISION ON INTERVENTION BY THE EUROPEAN SOCIAL FUND IN FAVOUR OF WOMEN

1. Budget Heading : Article 505

2. Title : Aid from the Social Fund for women.

3. Legal basis :

Decision to be taken by the Council pursuant to Article 4 of the basic Decision of 1 February 1971 (71/66/EEC) (Proposal submitted to the Commission on 21 September 1977).

4. Objectives of the project :

Rendering the employment of workers easier and increasing their geographical and occupational mobility (Article 123 of the Treaty).

Specific objective : to promote the integration of women over 25 years of age into employment.

5. Appropriations :

The appropriations for commitment to be entered in the budget for 1978 amount to 8 m.u.a.

The schedule of due dates for payments is as follows :

Commitments 1978	1978	Payments 1979	1980
8 M.E.U.A.	2,5 M.E.U.A.	3 M.E.U.A.	2,5 M.E.U.A.

As with other Fund intervention payments are spread over several years. It is envisaged they will be made at a quicker rate given the proposals for advance payments now before the Council. For 1978 the appropriations will be inserted in the budget by means of an amending letter to the draft budget for 1978.

Multiannual forecasts :

On the basis of data at present available, the following estimates can be made :

	1979	1980	1981
Appropriations MEUA	12	18	20

Method of calculation :

Because of the innovatory nature of the operations planned, the volume of expenditure will be relatively small in the first year. Taking into account, in addition, earlier experience as regards the cost of interventions by the Fund, it is anticipated that the planned budget for aid in favour of women will allow a contribution to be made to training exercises of an average of 4 months' duration for some 6,000 persons at an average cost of 330 e.u.a. a month including expenditure on the specialised services of the training staff.

B. PROPOSAL FOR A COUNCIL REGULATION CONCERNING OPERATIONS QUALIFYING FOR A HIGHER RATE OF INTERVENTION FROM THE EUROPEAN SOCIAL FUND

The introduction of a higher rate of intervention will not itself affect the overall volume of Fund appropriations. It will, on the other hand, as regards the various categories of intervention, provide for a supplemental financial stimulus to promote operations, in particular of vocational training, in the five priority regions defined in this proposal.