

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 436 final.

Brussels, 20 July 1979

REVISED DRAFT OF COMMISSION DECISION  
CONCERNING THE CREATION OF SPECIAL TEMPORARY ALLOWANCES  
TO ASSIST WORKERS IN THE IRON AND STEEL INDUSTRY UNDER  
THE COMMUNITY RESTRUCTURING PLAN

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COM(79) 436 final.

Commission Decision concerning the creation of special temporary allowances  
to assist workers in the iron and steel industry under the Community  
restructuring plan

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THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Coal and Steel Community,  
and in particular Articles 2, 3 and 95 thereof,

HAS ADOPTED THIS DECISION:

Article 1

1. Special measures in favour of workers, whoever the beneficiaries of such measures may be, in iron and steel firms and iron-ore mines in the Community, whose posts are directly or indirectly abolished or threatened in consequence of a restructuring plan adopted by the undertaking, the group of undertakings or the public authorities in accordance with "General Objectives - Steel", shall be eligible for the aid granted by the Commission for ECSC readaption.

These measures shall take the form of:

- allowances for early retirement,
- other allowances for adjusting the conditions and duration of work.

2. The allowances shall be granted on condition that the social partners' independence of decision-making is not affected and that the adjustments have a positive effect on employment without immediately or subsequently adversely affecting the competitiveness of undertakings.

Article 2

The granting of special allowances shall be dependent on the payment by the State concerned of contributions at least equal to the amount of allowances granted, unless a derogation is authorised by the Council by a two-thirds majority.

Article 3

1. The allowance for early retirement shall be granted with effect from a certain age, which may differ among Member States and which cannot be less than 55, to workers referred to in Article 1 who cease their activity and

who are not yet entitled to the legal retirement pension when such workers free a post which is taken by a worker threatened with dismissal as a result of restructuring or when the early retirement of such workers is likely to facilitate the enhancement of productivity required by a general restructuring plan.

In either case, the period during which the allowance is granted may not exceed three years.

The minimum age may be lowered for workers in a particularly arduous job, for handicapped workers and for workers who, for at least ten years, were engaged in shiftwork.

2. The allowance cannot exceed 50 % of the difference between the income guaranteed to the worker who retires early by virtue of national measures and the amount of unemployment allowance to which the worker would have a right in the case of dismissal. The allowance shall not be less than a minimum amount to be set for each Member State in accordance with the procedure set out in Article 6.

#### Article 4

The allowance for the adjustment of the conditions and duration of work shall be granted to:

1. workers whose working time is reduced with a view to enabling redundancies caused by partial or complete closure of an undertaking to be spread over a period of time.  
For each hour not worked, the allowance cannot exceed 25 % of the difference between the wage normally due and the benefits granted in the event of a reduction in working time;
2. undertakings which adjust the cycle of work on behalf of the workers referred to in Article 1.  
The allowance cannot exceed 25 % of the wage costs of the workers whose employment is maintained as a direct result of the introduction of the adjustment.  
The allowance shall be granted for a maximum of three years. The amount shall be reduced to three-quarters of the initial amount during the second year and to half the amount during the third year;

3. - workers affected by a reduction in overtime whose incomes do not reach the minimum corresponding to the average wage (including hours worked overtime) of an unskilled worker.

The allowance cannot exceed 25 % of the difference between the wage paid to workers before the abolition of overtime and the wage paid after the abolition.

The allowance may not exceed an amount equal to that of the allowance calculated on the basis of the average wage (including overtime) of an unskilled worker.

The allowance shall be granted for a maximum of three years. The amount shall be reduced to three-quarters of the initial amount during the second year and to half the amount in the third year following the entry into force of this Decision.

#### Article 5

The wage referred to in Article 4 shall be understood to mean the gross wage after deduction of taxes and including the social security contributions of the worker.

#### Article 6

Pursuant to this Decision, the Commission, having established that the restructuring plan complies with the "General Objectives - Steel", shall, with the Member State concerned, agree the social measures to be implemented on behalf of the workers referred to in Article 1, as well as the ways and means, more especially as regards:

- the method of allocating costs,
- the definition of the bases for calculation of each of the special allowances,
- the designation of the organisations charged with making the payments,
- the presentation of requests,
- the methods of paying the allowances.

#### Article 7

The special allowances may be granted for social measures adopted since ..... to be taken until .....

This Decision shall enter into force on the fifth day following its publication in the Official Journal of the European Communities.

This Decision shall be binding in its entirety and directly applicable in all Member States.

For the Commission,