

EUROPEAN COMMUNITIES

Secretariat of the Medium-term
Economic Policy Committee

Brussels, September 4th, 1973

MEDIUM-TERM ECONOMIC POLICY COMMITTEE

STRUCTURAL INDICATORS' SYSTEM
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I.1 - TOTAL POPULATION

A) Five-yearly growth rate of total population

	1955/50	1960/55	1965/60	1970/65	1975/70 ^{e)}	1970/50
Germany a)	3,7 c)	5,8	5,7	3,5	3,5	21,3
France	3,8	5,2	6,7	4,1	3,7	21,4
Italy b)	2,2 c)	3,2	3,5	3,1	5,5	12,6 g)
Netherlands	6,3	6,8	7,0	6,0	4,8	28,9
Belgium	2,4	3,0	3,6	2,3	2,7	11,6
Luxembourg	3,4	2,9	5,7	2,7	2,0 f)	17,2
E.E.C.	-	4,8	5,3	3,6	4,1	18,7 g)

B) Five-yearly growth rate of total population, excluding migrations

	1955/50	1960/55	1965/60	1970/65 d)
Germany a)	3,3 c)	5,9	5,8	3,2
France	3,8	4,9	6,7	4,1
Italy b)	2,4 c)	3,1	3,3	3,2
Netherlands	6,5	6,9	6,8	5,9
Belgium	2,3	3,2	3,3	2,3
Luxembourg	3,4	2,9	5,4	2,4
E.E.C.	-	4,7	5,2	3,3

a) Including the Saar and West Berlin

b) Resident population

c) Growth rate 1955/1951

d) Provisional figures

e) SOEC forecasts

f) Estimate

g) Italy : 1951-1970

Sources : (1) - Social statistics yearbook, 1970-SOEC

(2) - Population and labour force forecasts 1970-1980 - SOEC, social statistics n° 4/1970

(3) - National Accounts, SOEC, 1972

NOTES : A) The figures relate to total population, with the exception of Italy where the figures relate to resident population.

B) The migration balances correspond in actual fact to the balance between total variation and natural movement of the population. This arithmetical balance is no precise indication of migratory movements.

COMMENTS

Between 1950 and 1965 the total population of the Community grew at an ever-increasing rate. The net migrations merely strengthened this tendency.

The Netherlands always showed the quickest growth rate, whereas the population of Belgium, except in the period 1955-1960, grew slowest.

The effect of migratory movement on total population development was greatest in Germany: without migration, population growth between 1950 and 1965 would have been more than 2% less than the figure observed.

From the period 1965-1970 onward, there is a distinct tendency for population growth to slow down, which, for the Community as a whole has meant an increase of only 4%. The forecasts of the Statistical Office of the European Communities have been based on a continuation of this tendency. A decline in the birth rate appears to be the main cause of this falling-off, which is expected to result in the lowest growth rate since the war in the period from 1970 to 1975.

I.2 - POPULATION OF WORKING AGE

Year	Germany	France	Italy		Netherlands	Belgium	Luxembourg
			<u>a</u>	<u>b</u>			
1960	65,0	61,8	61,9	66,3	61,0	64,3	67,9
1970	63,6 (c)	62,3	59,2	64,5	62,5	63,0 (c)	65,5
1975 (d)	64,1 (c)	62,2	58,2	63,4	62,5	64,6 (c)	-

- a) Age 15 to 60 years
- b) Age 15 to 65 years
- c) Age 14 to 65 years
- d) Estimate

Sources : 1960 - Social statistics yearbook - SOEC, 1970
 1970 - Basic Statistics - SOEC, 1971
 1975 - Population forecasts 1970-1980, SOEC Social statistics n° 4/1970

NOTES : These figures relate to the population aged between 15 and 64 completed years, except for Germany and Belgium in 1970 and 1975 (between 14 and 64 completed years). In Italy the retirement age for a large number of wage and salary earners is 60.

COMMENTS

While overall the proportion of the population of working age has remained more or less stable in the Community, certain differences in trend between the member countries can be observed.

Countries with a high birth rate immediately after the war, such as France and the Netherlands, showed a relative increase in the population of working age between 1960 and 1970. In the case of the other countries, however, it is likely that the trend towards a decline in the birth rate, which was already present before the war, has continued, with, as a result, a reduction in the population.

Owing to these tendencies, the dispersion from the average of the proportion of the population of working age has decreased in the Community between 1960 and 1970.

A) Total employment

	Employed working population (%)				Growth rate		
	1955	1960	1965	1970	1960/55	1965/60	1970/65
Germany	46,3 a)	47,1	45,8	44,1	14,5 a)	3,7	0,3
France	44,7	42,9	41,3	41,3	0,9	2,7	4,2
Italy	42,2	41,1	37,4	36,1	0,5	- 4,6	0
Netherlands	37,4	36,4	36,6	35,9	4,1	7,7	3,9
Belgium	39,5 b)	38,2	38,5	39,0	0,3	4,8	3,6
Luxembourg	-	42,5	41,7	42,4	-	3,7	3,6
E E C	43,7	43,0	41,2	40,2	5,3	1,4	1,6

B) Wage and salary earners

	Wage and salary earners as percentage of total employment				Growth rate		
	1955 c)	1960	1965	1970	1960/55 c)	1965/60	1970/65
Germany	73,9 a)	77,0	80,4	82,4	19,3 a)	8,1	2,8
France	66,9	71,1	75,1	78,6	7,4	8,4	9,0
Italy	54,8	59,4	64,9	68,8	9,1	4,3	5,9
Netherlands	75,9	78,8	61,7	83,7	8,1	11,5	6,5
Belgium	74,5 b)	74,1	77,9	79,5	0,8	10,2	5,6
Luxembourg	-	70,1	73,4	76,4	-	8,5	7,8
E E C	66,5	70,5	74,9	77,8	11,7	7,6	5,6

a) 1955 - Without the Saar and West Berlin.

b) 1955 - SOEC estimate

c) Wage and salary earners 1955 - national concept / total employment - domestic concept (including armed forces).

Sources : National Accounts 1966 and 1971 - SOEC

NOTES : For total employment and wage and salary earners, the domestic concept has been used, i.e. resident nationals working in the country or abroad and resident foreigners working in the country (including armed forces).

For wage and salary earners 1955 the national concept has been used (including armed forces).

C) Distribution of working population among the Community countries

	1960	1965	1970
Germany	35,6	36,0	35,5
France	25,7	26,6	27,5
Italy	28,2	26,5	25,6
Netherlands	5,6	5,9	6,1
Belgium	4,8	4,9	5,1
Luxembourg	0,2	0,2	0,2
E E C	100,0	100,0	100,0

Sources : Social statistics yearbook 1970, SOEC.
General Statistics, SOEC N° 6/1972

COMMENTS

In the Community the percentage of the employed working population in the total population has tended slowly to decline, while the differences between Member States have remained considerable. Demographic factors do not seem to have played a leading role, as the Netherlands and, more especially, France have shown a fall in the rate of economic participation at the same time as their population of working age was growing. The fall in the rate of participation is probably due mainly to the great rise in school attendance rates, considering that the female activity rate has also shown an overall increase. Italy is the only country which showed, between 1955 and 1970, an absolute decline in the employed working population.

The share of wage and salary earners in total employment has increased rapidly. It is in France and Italy, where the percentage of the working population employed in agriculture was highest, that the reductions have been the most noticeable. As a result, the country-to-country differences in the relative proportion of wage and salary earners have decreased and, Italy apart, in the Community countries this proportion is around 80 % of the employed working population.

1.4 - EMPLOYED POPULATION BY SECTOR

(%)

	AGRICULTURE			INDUSTRY			SERVICES			GENERAL GOVERNMENT		
	1960	1965	1970	1960	1965	1970	1960	1965	1970	1960	1965	1970
Germany	13,7	10,9	8,9	47,9	48,8	48,6	30,3	30,5	31,7	8,1	9,8	10,8
France	20,6	16,6	13,1	38,0	40,2	39,9	29,8	32,2	35,2	11,6	11,0	11,8
Italy	31,8	25,2	18,7	35,8	39,3	41,7	24,6	26,3	29,3	7,8	9,2	10,3
Netherlands	11,1	8,6	7,1	41,0	41,9	40,0	36,2	38,0	41,2	11,7	11,5	11,8
Belgium	8,6	6,3	4,8	44,7	45,0	43,1	35,1	36,1	38,8	11,6	12,6	13,3
Luxembourg	16,4	13,5	10,8	44,1	45,7	46,7	39,6 ^{a)}	40,6 ^{a)}	42,5 ^{a)}	-	-	-

a) Including general government.

Sources : SOEC - National Accounts 1971

NOTES : For employment by sector the domestic concept has been used, plus the armed forces (under "general government").

COMMENTS

The trends in the distribution of the employed working population in the Member States show certain common characteristics but also some points of divergence.

In all the countries, agriculture's share declined by some 40 % between 1960 and 1970. Considering that at the beginning of the period the situation was very different from country to country, greater differences between the rates of reduction could have been expected. But we see, for instance, that the population employed in agriculture in Italy has remained four times as large as in Belgium.

Except in Italy, the transfer of manpower has been to the advantage of services and, more particularly, of general government. In 1970, that part of the working population employed in the tertiary sector even passed the 50 % mark in the Netherlands and Belgium.

The strong position of industry in Germany is confirmed by the slight progress observed between 1960 and 1970 at a time when this sector already occupied a particularly important place in the economy. It can also be seen that a number of considerable relative differences persisted between 1960 and 1970 : in the case of industry, a substantial difference between Germany and France, and in the case of services, between Italy and the Netherlands.

I.5 - FEMALE ACTIVITY RATE

Employed female working population as a percentage of female population of working age %

	Employed women aged 14-59 years		Employed women aged 14-65 years		Employed women aged 14-24 years	
	1960	1969	1960	1970	1960	1970
	Germany	37,7 a)	40,6	36,5 a)	41,0	70,6 a)
France	34,8	47,0	35,0	47,1	50,0	42,6
Italy	27,0	29,6	26,5	29,3	43,1	32,0
Netherlands	21,3	26,3 b)	20,9	26,3 b)	56,4	44,8 b)
Belgium	26,4	34,4	25,6	34,6	43,7	36,3
Luxembourg	24,4	29,2	23,9	29,9	54,2	48,0
E.E.C.	32,0	-	31,5	37,8 c)	51,9	39,8 d)

a) Including the Saar, excluding West Berlin.

b) Figure for 1968, no surveys in 1969 and 1970.

c) SOEC estimate.

d) Including the Netherlands 1968.

Sources : Labour forces surveys 1960-1970.

SOEC, Social statistics n° 2a/1963, n° 2/1971

Social statistics yearbook 1970, SOEC 1971

NOTES : Calculations based on Community surveys. However, as a result of changes in the definitions from the 1968 survey onwards, the figures for 1960 and 1970 are not always comparable. Moreover, for 1960 mistakes have been found which have not been corrected.

COMMENTS

Interpretation of the information produced by the labour forces survey is not easy, as some of the results would require further analysis before more definite conclusions could be drawn from them.

In spite of these limitations there seems to be little doubt that the female activity rate rose between 1960 and 1970, especially in France and Belgium. The country-to-country differences have shown no tendency to diminish.

The overall rise in the female activity rate has taken place in spite of a distinct decrease in the share of the youngest age groups, which is certainly due in great part to school attendance.

The case of the Netherlands deserves special notice. Whereas that country recorded the highest employment rate for the age group between 14 and 24, the overall female activity rate was the lowest in the whole Community. It is therefore very probable that the activity rate for married women is extremely low in the Netherlands compared with the other Member States.

A) Annual average number of hours worked

	1966 1969		1966 1969	
	per manual worker		per salaried employee	
Germany	1860	1855	1966	1835
France	2078	2007	2122	2070
Italy	1877	1795	2031	2014
Netherlands	1983	1906	1975	1939
Belgium	1908	1871	2009	1979
Luxembourg	2019	2013	1973	1980

Sources : Labour costs survey - SOEC, Social statistics n° 4/1969 and 3/1971.

B) Average weekly hours of work per manual worker

For all the mining and quarrying, manufacturing and construction industries	1960	1966	1970
Germany	42,0	43,9	44,1
France	45,7	47,3	45,9
Italy	39,4	44,6 ^{a)}	42,5
Netherlands	48,9	45,9	44,3
Belgium	-	44,2	42,7
Luxembourg	-	45,7	45,0

a) 1967

Sources : Employment statistics 1958 - 62 - SOEC, Social statistics n° 4/1963; Social statistics yearbook 1970 - SOEC, 1971; Basic Statistics - SOEC, 1971.

NOTES :

A) The number of hours worked per manual worker has been based on the actual duration of work, including overtime payment for which has been taken into account in the surveys. The number of hours worked per salaried employee has been based on the agreed or usual duration of work.

COMMENTS

Interpretation of the data on hours of work is rendered difficult by this variables' sensitivity to cyclical influences and by the uncertainties of the survey methods. Once again, the country-to-country differences are considerable. On the basis of the annual average number of hours worked, there remained a difference of some 7 % between France and Germany for manual workers and of over 10 % for salaried employees. Nevertheless, a certain tendency towards approximation is observable, with some irregularities.

Differences that might be even greater would appear if it were possible to know more about the distribution of hours worked over the year, i. e. distinguishing between agreed hours, overtime, the average weekly hours of work, and the number of days holiday. A survey of this kind could lead to a better analysis of distribution of wages and salaries per head and productivity per person employed. For instance, consideration might be given to establishing whether it really makes no difference if the number of hours worked per year is reduced by increasing the number of holidays or by shortening the working day or working week.

I.7 - UNEMPLOYMENT RATE

	1956/1960	1961/1965	1966/1970
Germany	2,5	0,7	1,0
France	1,1	1,3	1,8
Italy	5,7 a)	3,1	3,5
Netherlands	1,9 b)	0,8	1,5
Belgium	2,7 c)	1,9	2,0
Luxembourg	0	0	0

- a) period 1957/1960
- b) period 1958/1960
- c) 1957 and 1960.

Sources : Social statistics yearbook 1970, SOEC 1971.
 General Statistics, SOEC n° 1972/6.

NOTE : These rates represent the five-yearly average of the ratios between the average annual number of unemployed and the average annual civilian working population.

COMMENTS

If the unemployment rates for the last period are compared with the rates at the beginning, it will be seen that unemployment went down in all the countries except France. Nevertheless, comparison of the rates for the first period with those for the following one shows an even greater decrease, while for the last period (1966/1970) the five-yearly figures show a slight increase. The only country in which the rate rose considerably in this period was the Netherlands.

This parallel development of the average rates in all countries over the three periods considered was accompanied by a tendency towards approximation. Dispersion from the Community average was much greater for the period 1956/1960 than for the period 1966/1970.

France is the country where the development of the unemployment rate shows particular characteristics : it started off with the lowest rate, and the rate increased regularly throughout the three periods considered.

I.8 - UNEMPLOYMENT BY AGE GROUP

Percentage of unemployed of age groups 14 to 25 and 45 to 65 in total unemployed, and percentage of unemployed seeking their first job.

	14-25 years		45-65 years		Percentage of unemployed seeking first job	
	1960	1970	1960	1970	1960	1970
Germany	28,3	16,5	36,6	39,9	18,3	4,9
France	50,9	40,7	23,7	30,6	43,0	20,0
Italy	57,2	60,2	14,0	11,3	43,4	53,4
Netherlands	39,0	34,9a)	26,8	-	36,5	11,1a)
Belgium	25,8	25,6a)	48,3	-	18,2	17,9
Luxembourg	-	-	-	-	-	-
E.E.C.	50,1	42,3	21,5	-	39,1	37,7

a) 1968

Sources : Labour forces surveys 1960 and 1970 - SOEC, Statistical Information n° 2a/1963 and Social statistics n° 2/1971.

COMMENTS

The data in the table indicate that the proportion of young unemployed in the total number of unemployed in the Community has, on the whole, decreased. This is particularly apparent in the case of France and Germany. These data are confirmed by those concerning unemployed persons seeking their first job. Many of the people looking for a first job are almost certainly young people who have just finished their studies. However, part of the explanation lies no doubt in the relative decline in the number of young people in the available working population as a result of the raising of the school-leaving age which took place between 1960 and 1970.

Nevertheless, the differences between the member countries are significant and are substantiated by the data on persons seeking their first job. The figures show quite clearly that it is especially in Italy, but also in France and the Netherlands, that young people have the greatest difficulties in finding employment.

Germany and Belgium, on the other hand, seem to be having greater problems with the readaptation and retraining of unemployed persons aged 45 and over. There are, however, reasons for asking to what extent the differences in machinery, rules and criteria of employment policies and social legislation between the Member States account for certain disparities. Thus, it is probable that in Italy and France a certain number of unemployed persons aged 45 and over who fail to find employment within a reasonable length of time disappear from the ranks of the working population as currently recorded.

I.9 - DURATION OF UNEMPLOYMENT

Persons who have worked before and are unemployed for less than 3 months or more than 12 months

	12 months and more		less than 3 months	
	1960	1970	1960	1970
Germany	9,1	22,6	44,9	39,8
France	9,9	34,6	53,5	35,2
Italy	27,5	13,7	31,6	29,5
Netherlands	7,3	14,3 (a)	56,0	39,1 (a)
Belgium	35,4	47,2	40,8	27,7

(a) No survey in the Netherlands in 1970. The figures are for 1968.

Source : Sample surveys on labour forces, SOEC - Statistical Information n° 2a/1963 and Social statistics n° 2/1971.

COMMENTS

The general impression is that the duration of unemployment tended to increase between 1960 and 1970, except in Italy. The trend was the most marked in France, while in Belgium, where the duration of unemployment was already longer than in any of the other countries, it increased even further. Almost half the Belgian unemployed failed to find work in less than a year.

Comparison of the duration of unemployment between the various countries is, however, in danger of being influenced by the differences between legislation and by the criteria for granting unemployment benefits, as well as by the varying degrees of efficiency of the employment exchanges. This is particularly the case with Italy, where it is highly probable that the unemployed who fail to find work within a year are no longer recorded with the same accuracy as at the beginning of their period of unemployment, mainly because of the system of granting unemployment benefits in that country.

In spite of all these reservations, the figures in Table 1.9 confirm the results of other surveys or other data which clearly show a perceptible increase in structural unemployment.

2.1 - GROSS FIXED ASSET FORMATION AND ITS DISTRIBUTION

Distribution of gross fixed asset formation as percentage of gross domestic product

at current prices

	1956 - 1960					1961 - 1965					1966 - 1970				
	(a)	(b)	(c) (a+b)	(d)	(e)	(a)	(b)	(c) (a+b)	(d)	(e)	(a)	(b)	(c) (a+b)	(d)	(e)
Germany	19,7	3,0	22,7	8,3	5,1	22,0	4,1	26,1	6,2	6,2	20,6	4,0	24,6	-	5,6
France	16,8 ^f	2,1 ^f	18,9 ^f	7,1	4,8	20,0	3,0	23,0	5,9	5,9	21,8	3,4	25,2	8,1	6,8
Italy	18,1	3,1	21,2	6,4	6,1	19,1	2,8	21,9	6,5	6,5	17,6	2,4	20,0	5,6	6,4
Netherlands	20,0	4,1	24,1	7,2	4,8	19,8	4,7	24,5	4,4	4,4	21,0	5,0	26,0	8,2	5,4
Belgium	16,0	1,8	17,8	5,9	4,7	18,7	2,5	21,2	5,9	5,9	18,6	3,2	21,8	7,4	5,8
Luxembourg	16,4	5,8	22,2	-	4,0	25,4	4,6	30,0	6,8	6,8	20,9	4,0	24,9	6,9	8,7

- a) Share of gross fixed asset formation by undertakings, including dwellings, in gross domestic product.
b) Share of gross fixed asset formation by general government in gross domestic product.
c) Share of gross fixed asset formation total (a+b), excluding variations in stocks, in gross domestic product.
d) Share of gross fixed asset formation by the industrial sector in gross domestic product.
e) Share of gross fixed asset formation by construction of dwellings in gross domestic product.
f) The reference period is 1958 - 1960.

Source : National Accounts, SOEC 1960, 1971

NOTES : The data concerning gross fixed asset formation by undertakings (a), and by general government (b), relate to Table 10 of "National Accounts", (total gross asset formation - gross asset formation by undertakings + gross fixed asset formation by general government + variations in stocks), while gross fixed asset formation by the industrial sector (d) and dwellings (e) relate to Table 12, which has a different basis of evaluation (breakdown by utilizing industry).

COMMENTS

The data on gross fixed asset formation, even over five-year periods, seem to be affected by cyclical factors which partially obscure the basic tendencies. The data obtained have also been influenced by the trends, at time divergent, of relative prices.

If the initial and final data of the entire time-span observed are considered, the share of total gross fixed asset formation in gross domestic product shows a slight tendency to increase. However, if the last period is compared with the middle period, a decrease is sometimes noted. The increase is particularly regular in France, and slightly less so in the Netherlands and Belgium.

An increase of the same order of magnitude, but of a less continuous character, is seen in the case of Germany, while only Italy shows a decrease.

The rate of gross fixed asset formation by the industrial sector sometimes shows a tendency to diverge from that of total gross fixed asset formation, particularly in the transition from the first period to the second. However, in the case of Italy there is a close correlation between the development of gross fixed asset formation and the propensity to invest of the industrial sector.

2.2 - GROSS FIXED ASSET FORMATION AND ADDED VALUE

A. Gross fixed asset formation as a percentage of total GDP

	1955	1960	1965	1970
Germany	23,5 a)	24,7	26,7	26,8
France	17,0	19,9	24,4	26,6
Italy	19,2	21,5	19,0	20,3
Netherlands	22,1	23,2	25,4	26,5
Belgium	18,4	20,0	21,7	21,2
Luxembourg	21,7 c)	26,0	28,3	24,9

B. Gross fixed asset formation by industry as a percentage of the GDP of industry

	1955	1960	1965	1970
Germany	-	-	-	-
France	14,2 b)	16,1	17,0	17,9
Italy	14,9	16,8	12,1	14,9
Netherlands	16,6	16,5	19,5	18,9
Belgium	14,4	15,8	18,0	17,8
Luxembourg	-	-	-	-

C. Gross fixed asset formation in the shape of equipment as a percentage of total GDP

	1955	1960	1965	1970
Germany	12,8	10,3	11,4	13,0
France	8,3 b)	8,9	10,3	12,1
Italy	8,8	8,7	6,7	8,7
Netherlands	11,5	11,3	11,8	13,0
Belgium	8,2	7,9	8,6	9,4
Luxembourg	8,9 c)	11,2	9,3	8,9

D. Gross fixed asset formation in the shape of equipment per employed person

at constant prices (1963 = 100)

	1955	1960	1965	1970
Germany (DM)	1.294 a)	1.340	1.841	2.619
France (FF)	1.294 b)	1.574	2.348	3.510
Italy (Lit)	81.620	108.671	113.415	195.975
Netherlands (Fl)	1.113	1.272	1.578	2.216
Belgium (FB)	12.405	13.502	17.955	24.218
Luxembourg (Flbg)	-	21.687	20.165	22.333

a) Without West Berlin and the Saar

b) 1958

c) At current prices

Source: National Accounts - SOEC, 1966, 1971, 1972

NOTE: The index of basic prices for gross fixed asset formation in the shape of equipment, and for the GDP, is 1963, except as regards Luxembourg in 1955, where the prices are current prices.

COMMENTS

From 1955 to 1970, the share of the GDP allocated to capital investment increased again in most of the member countries.

This trend is less clear in Italy because of the falling-off in gross fixed asset formation in industry at the end of the period and, more generally, the falling-off in investment in equipment in that country. However, it should be noted that, per employed person, gross fixed asset formation in the shape of equipment increased more rapidly in Italy than in any of the other Community countries except France.

Among the other countries, the differences between the rates of gross fixed asset formation appear to be linked with differences in attitude regarding investments in equipment. In so far as the rates of investment in industry are rather close to each other, the explanation should mainly be sought in varying attitudes regarding non-industrial equipment.

3.1 - PUBLIC EXPENDITURE ON RESEARCH AND DEVELOPMENT

Distribution of Government appropriations by main category of objectives ('000u.a)

23.

	Germany			France			Italy			Netherlands			Belgium			E E C		
	1967	1971	1971/67	1967	1971	1971/67	1967	1971	1971/67	1967	1971	1971/67	1967	1971	1971/67	1967	1971	1971/67
	(a)	(a)	(b)	(a)	(a)	(b)	(a)	(a)	(b)	(a)	(a)	(b)	(a)	(a)	(b)	(a)	(a)	(b)
1. Nuclear	19,3	15,6	142	17,4	13,5	79	34,6	20,8	105	10,8	8,6	133	20,5	21,1	166	19,1	15,0	108
2. Space	6,2	6,6	187	5,3	6,3	121	7,4	5,8	136	3,9	3,5	195	6,8	6,1	143	5,7	6,2	150
3. Defence	21,4	15,0	123	33,9	28,7	86	5,0	3,5	123	4,6	4,4	160	1,1	1,5	224	24,7	17,7	98
4. Earth and its atmosphere	1,8	1,9	184	1,2	2,1	178	0,7	1,3	312	2,0	1,4	121	2,3	2,2	153	1,4	1,9	180
5. Health	2,0	2,7	230	2,5	3,1	127	1,5	2,9	347	3,7	4,0	182	2,9	3,0	165	2,3	3,0	175
6. Human environment	0,8	1,0	211	3,3	5,3	164	2,0	1,6	137	2,8	3,3	197	1,9	1,6	130	2,3	2,8	169
7. Agricultural productivity	2,2	2,1	163	3,7	4,5	121	1,6	3,2	354	10,2	9,1	151	4,4	4,6	171	3,4	3,6	145
8. Industrial productivity	4,0	6,7	297	10,3	8,8	87	1,5	21,9	2802	8,0	7,3	153	11,3	10,6	152	7,4	9,2	172
9. Computer science, automation	1,4	3,2	401	1,0	3,1	331	0,3	0,5	302	0,5	9742	-	0,1	-	1,0	2,6	370
10. Social sciences and humanities	1,7	1,7	181	0,9	1,7	192	1,8	0,8	76	3,6	4,5	207	0,7	0,7	154	1,4	1,8	177
11. General promotion of knowledge (except Higher Education)	5,7	7,8	204	7,9	10,9	140	12,7	10,6	145	4,9	5,0	170	11,2	10,6	152	7,8	9,1	161
12. General promotion of knowledge (Higher Education)	32,5	35,7	193	12,2	11,7	97	31,0	27,1	152	46,5	47,8	172	37,0	37,9	164	23,2	26,9	160
Not itemized	-	-	-	0,4	0,3	87	-	-	-	-	-	-	-	-	-	0,2	0,2	117
TOTAL	100	100	175	100	100	102	100	100	174	100	100	167	100	100	160	100	100	138

a) %

b) Indices : 1967 = 100

Source : COMMISSION OF THE EUROPEAN COMMUNITIES - Medium-Term Economic Policy Committee : Public Financing of Research and Development in the Community Countries.

COMMENTS

The categories of objectives in which the most drastic cuts in public expenditure have been made are nuclear research and defence. The share of the first category has perceptibly decreased in all the countries (except in Belgium, where there has been a very slight increase). In 1967 nuclear research accounted for a substantial part of total research expenditure (25 %, on average), and in 1971 its relative level dropped, on average, by about 20 %, Italy having shown the most noticeable decrease.

As regards defence research, there is an average decrease of 30 %. The decline is greatest in Germany and France, where this category accounted for a considerable part of public spending on research, whereas in the other countries the 1967 level was much lower.

Notable increases can be seen in the categories of "Computer science and automation", which showed the highest increase in the rate of expenditure in all categories in three countries (Germany, France and the Netherlands), and "Health", which, with lower rates of increase, has yet shown a general rise, increasing its share in all the countries. Nevertheless, these rates of increase are not altogether indicative of the sustained effort made, for they are related to very low starting levels in 1967.

On the other hand, certain categories, in which expenditure was already considerable at the outset in some cases, have further consolidated their relative position -- for instance, higher education in the Netherlands and Belgium, as well as in the Community as a whole. The exceptional progress of "Industrial productivity" in Italy must also be mentioned.

4.1 - GROSS DOMESTIC PRODUCT AT MARKET PRICES

Average growth rates based on 1963 prices and rates of exchange

	1955/1960	1960/1965	1965/1970
Germany	7,8 a)	5,1	4,6
France	5,0	5,8	5,7
Italy	5,5	5,2	6,0
Netherlands	4,0	5,0	5,4
Belgium	2,5	5,2	4,6
Luxembourg	4,6	3,8	3,1
E.E.C.	5,9	5,3	5,3

a) Without the Saar and West Berlin.

Source : National Accounts - SOEC, 1971.

COMMENTS

The development of the growth rate of the gross domestic product shows a certain stability over the three periods concerned. The average of these growth rates remains on levels which indicate steady increase.

Belgium and the Netherlands, after the weak growth rates observed during the first period, showed a fairly clear tendency to speed up.

The differences between the growth rates of the member countries remained remarkably small.

4. - SCALE OF UNDERTAKINGS

Distribution of wage and salary earners by size of business (employing more than 10 persons)

(%)

	10 - 49			50 - 999			1000 and more			TOTAL		
	1963	1966	1969 ^{a)}	1963	1966	1969 ^{a)}	1963	1966	1969 ^{a)}	1963	1966	1969
GERMANY												
Manufacturing industries	16,5	12,8	-	50,1	51,8	53,6	33,4	35,3	46,4	100	100	100
Total	13,2	17,6	-	48,5	51,0	-	38,3	31,4	-	100	100	100
FRANCE												
Manufacturing industries	19,3	19,2	-	57,0	59,3	71,4	23,6	21,5	28,4	100	100	100
Total	18,7	21,5	-	54,8	55,7	71,6	26,6	20,8	28,0	100	100	100
ITALY												
Manufacturing industries	26,9	18,2	-	54,3	59,2	71,3	18,8	22,5	28,7	100	100	100
Total	27,3	23,2	-	54,1	57,4	74,0	18,6	19,5	26,0	100	100	100
NETHERLANDS												
Manufacturing industries	23,0	17,9	-	56,5	61,5	71,6	20,6	20,5	28,4	100	100	100
Total	22,1	23,0	-	54,4	57,1	71,4	23,5	19,9	28,6	100	100	100
BELGIUM												
Manufacturing industries	17,8	19,1	-	55,1	59,0	66,1	27,1	22,0	33,9	100	100	100
Total	16,3	21,6	-	51,1	56,0	65,1	32,5	22,3	34,9	100	100	100
LUXEMBOURG												
Manufacturing industries ^{b)}	11,7	-	-	20,3	-	-	68,0	-	-			
Total	12,4	16,0	-	21,3	29,0	-	66,3	55,0	-	100	100	100

a) 1969 : the business employing 10 - 49 persons were not taken into consideration

b) Luxembourg : The distribution is not available for 1966 and 1969.

Sources : 1) Statistical studies and surveys - SOEC N° 2/1969 (Industrial census 1963)

2) Structure and distribution of wages, October 1966 - SOEC, Social statistics, Special series.

3) Labour costs in industry, 1969-SOEC, Social statistics N° 3/1971

COMMENTS

Appraisal of the development of the average size of businesses during the period 1963-1969 is rendered difficult by the absence of data for 1969 for the businesses employing 10 to 49 persons.

If analysis is restricted to the changes during the period 1963-1966 it will be seen that the percentage of medium-sized businesses (employing 50 to 999 persons) increased in all the countries, both in the manufacturing industries and in industry as a whole (Total), at the expense of the small and large businesses. For the manufacturing industries, the corresponding decrease took place in the businesses employing 10 to 49 persons in Germany, Italy and the Netherlands, and in the large businesses in France and Belgium. For industry as a whole, however, the corresponding decrease took place in the small businesses in Italy only, while in the other countries the percentage increase of the medium-sized businesses took place at the expense of the large ones.

A country-to-country comparison of the levels reached in 1966 shows that the distribution between the three groups is much the same in all the countries (except Germany, where the large businesses achieved a far higher percentage).

In 1969 the changes in the size of businesses trended towards a substantial growth in the number of those employing more than 1000 persons, which is taking place everywhere. Except in the case of Germany, which has continued to make faster progress than the other countries in the number of its large businesses, the distribution between small and medium-sized businesses on the one hand, and large businesses on the other, was rather similar in all the member countries.

5.1 - REMUNERATION OF WAGE AND SALARY EARNERS

A) Rate of variation of remuneration of wage and salary earners per head in each of the four sectors

Sector	periods	Germany	France	Italy	Netherlands	Belgium
Agriculture	1960 - 1965	9,2	10,1	13,8	9,6	-
	1965 - 1970	6,6	12,0	11,8	7,5	-
Industry	1960 - 1965	8,4	9,3	11,3	9,8	-
	1965 - 1970	8,5	-	10,6	11,1	-
Services	1960 - 1965	8,7	9,7	12,3	9,1	-
	1965 - 1970	7,9	-	8,6	10,1	-
General government	1960 - 1965	6,6	10,9	12,1	13,6	6,3
	1965 - 1970	8,4	8,7	4,7	9,9	8,5

Sources : National Accounts - SOEC, 1966 and 1971.

B) Rate of variation of remuneration of wage and salary earners per head, in money terms and real terms

	1955 - 1960 a)		1960 - 1965		1965 - 1970	
	money value	real value	money value	real value	money value	real value
Germany	7,7 b)	5,6	8,3	5,2	8,4	5,6
France	10,0	3,6	9,8	5,9	9,3	4,6
Italy	6,9	4,9	12,4	7,3	9,2	5,9
Netherlands	7,0	4,2	10,3	6,2	10,3	5,9
Belgium	5,2	3,4	7,5	4,5	8,2	5,2
Luxembourg	5,7	-	7,1	4,2	6,9 c)	3,6

a) for the period from 1955 to 1960, the 1955 figures have not been revised

b) Germany 1955 : without the Saar and West Berlin
1960 : including the Saar and West Berlin

c) Provisional figure : for 1969/1965 = 4,3.

Sources : National Accounts - SOEC, 1966 and 1971.

COMMENTS

Comparison of the trend in remuneration of wage and salary earners by sector shows that, on the whole, from 1960 to 1965 the most rapid increases took place in agriculture. For the following period this continues to apply only Italy and France, probably as a result of greater advances in productivity there than elsewhere, which were themselves linked with the extent of the flight from the land.

The generally very steady increase in general government wages and salaries should also be noted.

Except as regards Italy, the differences between the countries in the various sectors are, taking them all round, fairly small, and have shown no tendency to increase from one period to the next.

The remuneration of wage and salary earners per head for the economy as a whole shows much more pronounced differences from one country to another when seen in terms of money value only. If the incidence of prices is taken into account, the differences between the countries are much smaller.

Both in real terms and in money terms, there is a tendency towards a reduction of the differences between countries in the wage and salary increases per head. Thus, the figures for the member countries for 1965-1970, with the exception of those for Luxembourg, all lie between relatively narrow limits.

5.2 - DISTRIBUTION OF NATIONAL INCOME

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31.

	Germany				France				Italy				Netherlands				Belgium				Luxembourg								
	55a/b)	60	65	70	55a)	60	65	70	55a/c)	61c)	65	70	55a)	60	65	70	55a)	60	65	70	55a)	60	65	70	55a)	60	65	70	
	1. Remuneration of wage and salary earners including social security contributions	59,8	60,6	64,7	67,1	57,5	58,2	62,2	61,7	51,0	51,9	57,1	59,1	53,6	56,6	63,6	68,7	53,2	57,2	60,9	63,1	57,6	58,5	66,2	63,8				
2. Entrepreneurs' income	-	7,8	7,6	8,9	-	11,4	13,8	14,0	-	13,8	14,8	16,7	-	7,7	9,6	13,3	-	5,9	7,9	8,6	-	7,0	7,8	7,1					
3. Income from property	32,9	31,2	29,2	27,9	37,0	27,8	24,7	21,4	-	33,8	30,2	27,9	35,4	32,8	28,5 ^d	24,4 ^d	28,1	26,3	24,7	20,6	26,6	31,3	28,3	27,6					
4. Income of corporations	6,5	7,4	5,4	4,7	6,3	7,2	7,3	8,1	-	9,4 ^d	8,4 ^d	9,6 ^d	11,7	11,0	8,5	7,6	5,1	4,5	5,0	6,2	9,3	9,0	2,9	6,3					
5. Income of general government	1,6	1,2	1,1	0,8	-	-0,9	-0,6	-0,2	-0,2	-0,3	0,2	-0,3	-0,8	-0,4	-0,5	-0,7	-1,6	-2,2	-2,8	-3,2	-0,2	1,2	2,6	2,3					

- a) Figures for 1955 not readjusted
- b) Without West Berlin and the Saar
- c) Distribution figures from 1955 to 1960 not available
- d) Income from property less interest on consumers' debt.

Sources : National Accounts - SOEC, 1956 and 1971

COMMENTS

The development of the distribution of national income shows similar tendencies in all the Community countries. There is a steady and general rise in the remuneration of wage and salary earners, and an almost equivalent fall in the income of entrepreneurs. But, in spite of this parallel development, if the initial levels in 1955 are compared with the levels reached in 1970 by the various countries, it is seen that no approximation has in fact taken place; on the contrary, one has the impression that in 1970 the dispersal from the average increased here and there, as regards both the share of the remuneration of wage and salary earners and the share of the income of entrepreneurs.

However, interpretation of the figures as they stand has to be corrected in order to take account of the development of the number of wage and salary earners and entrepreneurs. A regular decline in the income of corporations (except in France) must also be noted.

5.3 - REMUNERATION OF WAGE AND SALARY EARNERS AND NATIONAL INCOME

Remuneration per wage or salary earner as a percentage of national income per employed person

	Germany	France	Italy	Netherlands	Belgium	Luxembourg
1955	79,5 ^{a)}	86,0	93,0	70,6	71,5	-
1960	78,5	83,5	87,3	71,8	75,3	86,2
1965	80,2	83,1	88,0	77,9	76,4	95,0
1970	81,1	78,7	85,9	82,0	77,8	90,1 ^{b)}

a) Without Berlin and the Saar

b) 1969.

Sources : National Accounts - SOEC, 1966 and 1971.

COMMENTS

Interpretation of the trend in the figures is extremely difficult, because it is influenced by factors differing from country to country.

The influence which seems to be dominant in any case is the nature and scale of the transfers of working population from the non-employee income sector to the wage and salary earning sector. All according to the number and income group of the persons affected by the transfers, the development of the remuneration per wage or salary earner as a percentage of national income per employed person differs greatly.

In France and Italy, where this percentage has fallen, the dominant factor has no doubt been the disappearance of many non-employee incomes which were low, particularly in agriculture, with the result that the average non-employee income has "statistically" increased.

The reverse no doubt happened in the other three countries, where the agricultural population's share was much less in 1955 and where the class of low non-employee incomes was smaller.

The effect of these divergent trends was to bring the levels of the percentages as between the member countries markedly closer together.

5.4 - SOCIAL TRANSFERS AND REMUNERATION OF WAGE AND SALARY EARNERS

(as % of the remuneration of wage and salary earners per head)

	Old age / survivors a)				Dependents b)			Sickness c)			Unemployment d)			
	1962		1965		1962		1965		1962		1965		1970	
	1962	1965	1962	1965	1962	1965	1962	1965	1962	1965	1962	1965	1962	1970
Germany	60 years	31,8	31,3	31,4	4,3	5,2	4,4	3,2	3,3	52,8	50,9	73,1		
	65 years	48,3	47,2	46,1										
France	60 years	19,4	28,0	25,1	11,4	14,3	10,1	2,0	3,1	7,7	13,8	16,6		
	65 years	28,4	40,4	35,2										
Italy	60 years	18,6	21,6	20,7	7,8	6,5	5,0	1,5	1,8	18,2	13,1	9,1		
	65 years	27,1	31,5	30,4										
Netherlands	60 years	26,3	30,5	30,4	3,9	4,9	5,4	2,0	2,3	-	-	-		
	65 years	38,3	44,3	43,6										
Belgium	60 years	20,8	19,4	21,1	7,8	8,0	8,9	1,3	2,1	60,5	70,9	60,5		
	65 years	30,6	28,2	29,8										
Luxembourg	60 years e)	30,8	31,7	34,7 ^{f)}	4,3	5,6	5,0 ^{f)}	1,1	1,5	-	-	-		
	65 years e)	46,5	47,4	51,6 ^{f)}										

a) Old age / survivors' benefits per inhabitant over 60 or 65 years old.

b) Benefits for dependents including maternity benefits for children less than 15 years old.

c) Sickness benefits per inhabitant except for invalidity, maternity, physical or mental infirmities, industrial accidents and occupational diseases

d) Unemployment benefits per unemployed person.

e) Old age/survivors' benefits cannot be separated from invalidity benefits (N.B. : in Belgium invalidity benefits represent 15 % and old age benefits 85 % of the total).

f) 1969 instead of 1970

Source : Social accounts 1962-1970-SOEC, Social statistics No 2/1972

NOTES: 1. In this table, the following have been related to the remuneration of wage and salary earners per head :

- a) old age/ survivors' benefits
- b) dependents' benefits
- c) sickness benefits
- d) unemployment benefits

2. The results obtained for unemployment are not altogether comparable, because of the differences in definitions between the countries. As regards the Netherlands, in particular, the figures obtained up to now do not appear acceptable. The unemployment benefits include insurance and social security benefits and all the other forms of social assistance which the unemployed person receives as an unemployed person (voluntary payments from employers, national and public assistance, etc.)

COMMENTS

The table produces two main impressions: (1) the overall improvement in social protection is not equally distributed according to the risks or the envisaged situations, and (2) the differences from country to country in the priorities accorded to the social risks to be covered remain very considerable, despite a certain tendency towards approximation.

It is indisputably protection against the risk of sickness which has improved most in the member countries. As regards old age and survivors' benefits judgement is necessarily more reserved, because not only do the trends diverge from country to country but they also show discontinuities. Benefits for dependents seem to have relatively increased only in Belgium and the Netherlands, while they are fairly definitely falling behind in the other countries. In the case of unemployment benefits, interpretation of the figures obtained is difficult because they appear to be dubious in many respects.

If a comparison is made between the countries of the priorities they accord to the risks covered it is seen that Germany and the Netherlands emphasize old age pensions and that France has made substantial progress. The latter country is well ahead of the others in the matter of dependents' benefits, in spite of a relative decline which is also observed in Italy.

As regards sickness risk, all the countries have advanced considerably except Germany, with the result that the differences between that country and the others have been reduced.

Appraisal of the expenditure on unemployment benefits is rendered difficult by the quality of the figures obtained. Nevertheless, it seems that Germany and Belgium, and probably the Netherlands as well, have by far the highest levels of protection.

6.1 - G.D.P. PRICE INDEX

Average growth rates

	1955/1960	1960/1965	1965/1970
Germany	2,6	3,6	3,4
France	6,5	4,1	4,8
Italy	2,0	5,4	3,4
Netherlands	3,2	4,9	4,8
Belgium	2,0	3,1	3,8
Luxembourg	-	2,7	4,8

Source : National Accounts - SOEC, 1966, 1971.

COMMENTS

On the whole, it can be seen that after the first five-year period there is a fairly distinct tendency for the rising trend in prices to speed up, except in France, which showed the fastest increase between 1955 and 1960. The period 1960-1965 witnessed the most rapid price increases, which were linked to the very high rate of economic growth.

Without going too far into an interpretation of the figures, a certain tendency for the rates of inflation to converge can nevertheless be noted. Commercial integration has apparently helped to strengthen the interdependence of prices.

6.2 - CONSUMER PRICE INDEX

Average growth rates

Products	Periods	Germany	France	Italy	Netherl.	Belgium	Lux.
Overall private consumption	1965 - 1960	2,9	3,7	4,8	3,9	2,9	2,8
	1970 - 1965	2,7	4,5	3,1	4,2	2,9	2,2
Food and tobacco	1965 - 1960	2,6	3,6	5,0	3,8	3,2	1,9
	1970 - 1965	1,7	3,9	2,5	3,8	2,8	2,6
Manufactured products a)	1965 - 1960	2,2	1,9	3,1	1,7	2,0	-
	1970 - 1965	1,5	2,8	2,5	1,6	2,5	-
Services b)	1965 - 1960	3,6	5,0	4,7	6,6	2,7	-
	1970 - 1965	4,0	5,8	4,0	7,7	3,4	-

a) - Includes clothing and shoes; fuel and power; furniture, household equipment and motor cars.

b) - Includes rent, rates and water charges; personal care and health; transport and communication; education.

Source : National Accounts - SOEC, 1971.

COMMENTS

In all the member countries the prices of manufactured products have clearly risen less rapidly than those of overall private consumption. This also partly applies to food, though here the differences from the average for private consumption prices are appreciably smaller.

Furthermore, in all the member countries the rate of increase in the price of services lies considerably above the average. This is particularly the case in the Netherlands.

Nevertheless, the speeding-up or slowing-down of the rise in prices of private consumption from one five-year period to the next is reflected quite faithfully in the three categories of goods and services.

7.1 - THE EXTERNAL BALANCE

Value : \$ '000M

	GERMANY			FRANCE			ITALY			NETHERLANDS			BELGIUM			LUXEMBOURG		
	1955-60 (a)	1951-65	1956-70	1955-60	1951-65	1956-70	1955-60	1951-65	1956-70	1955-60	1951-65	1956-70	1955-60	1951-65	1956-70	1955-60	1951-65	1956-70
	GNP (current prices)	288,5	488,7	721,2	287,7	416,0	640,8	151,8	245,2	386,0	48,7	76,8	128,6	52,5	71,6	107,4	2,1	2,8
Export : total (b)	62,8	91,7	156,4	37,9	56,2	92,1	19,7	37,5	69,5	23,6	35,2	57,5	17,0	24,9	42,4	1,9	2,2	3,2
Import : total (b)	52,9	85,5	138,4	38,2	53,8	92,4	20,0	37,5	64,1	23,2	35,7	58,2	17,1	25,4	41,8	1,6	2,3	3,1
Balance exp - imp	9,9	6,2	18,0	-0,3	2,4	-0,3	-0,3	-	5,4	0,4	-0,5	-0,7	-0,1	-0,5	0,6	0,3	-0,1	0,1
% of exports in the GNP	21,8	18,8	21,7	13,2	13,5	14,3	13,0	15,2	18,0	48,4	45,8	44,7	32,4	34,8	39,5	90,5	78,5	78,0
% imports in the GNP	18,3	17,5	19,2	13,3	12,9	14,4	13,2	15,2	16,6	47,6	46,5	45,2	32,6	35,5	38,9	76,2	82,1	75,6
% balance of goods and services in the GNP	3,5	1,3	2,5	-0,1	0,6	-0,1	-0,2	-	1,4	0,8	-0,7	-0,5	-0,2	-0,7	0,6	14,3	-3,6	2,4
Balance of current transactions (as % of the GNP) (c)	2,4	-0,2	1,1	-0,5	-0,5	-0,9	1,1	1,2	2,5	1,7	0,4	-0,5	1,2	0,2	0,9	6,2	-1,9	5,0

a) For the years 1956 to 1959, without the Saar and West Berlin

b) Goods and services

c) This balance concerns exports and imports including : goods and services, remunerations of wage earners, income from property and entrepreneurship and current transfers

Source : SOEC - National Accounts 1971 - aggregate figures

COMMENTS

The increase in the proportion of external trade in the GNP has been considerable only for Italy and Belgium. For the other countries no very marked movements are to be noticed, which is all the more surprising in the case of France, which started from a fairly low level for the period: 1956 - 1960.

As regards the balance of goods and services, we note a reduction in the positive balance for Germany (the figure for the period 1966 - 1970 is influenced by the recession in 1967) and a tendency towards deterioration for the Netherlands. The converse movement is seen for Belgium and Italy, whereas France has remained more or less in a state of balance.

Factor income and current transfers remained very negative only for Germany and France and were strongly in surplus for Italy. For Belgium and the Netherlands, in the course of the 1966 - 1970 period, income from factors and transfers ceased to play the important role which had been theirs during the two preceding periods.

In %

Exporting groups of branches	In '000 000 units of account							As a percentage of the total added value exported							As a percentage of exports						
	G	F	I	NL	B	EEC		G	F	I	NL	B	EEC		G	F	I	NL	B	EEC	
1. Products of agriculture and fisheries	92	513	351	326	109	421		1,0	8,3	3,4	9,0	4,0	2,5		49,6	52,8	64,7	52,6	54,8	57,3	
2. Energy products	288	222	242	207	97	540		3,1	3,6	5,8	5,7	3,5	3,2		45,9	60,7	60,4	38,8	48,9	55,4	
3. Non-energy products	634	574	250	103	343	925		6,9	9,3	6,0	2,8	12,5	5,5		29,7	37,1	37,8	25,9	21,8	28,3	
4. Products of the chemicals industry	947	484	328	318	217	1464		10,3	7,9	7,9	8,7	7,9	8,7		37,8	44,0	38,1	42,6	38,7	40,5	
5. Metal goods	419	152	118	74	73	512		4,5	2,5	2,8	2,0	2,7	3,1		50,0	46,9	44,0	48,4	50,6	48,3	
6. Non-electrical machinery	1655	587	490	191	254	2041		17,9	9,7	11,8	5,2	9,3	12,2		46,6	48,8	46,0	45,7	46,1	46,0	
7. Electric and electronic equipment	1181	381	301	477	155	1524		12,8	6,2	7,2	13,1	5,7	9,1		52,8	45,7	47,7	51,5	53,4	50,5	
8. Motor car and ship building	1064	334	214	111	118	1213		11,5	5,4	5,1	3,1	4,3	7,3		39,2	37,8	34,8	42,5	26,1	38,8	
9. Products of the food industry	111	323	89	199	89	521		1,2	5,3	2,1	5,5	3,3	3,1		28,6	36,4	30,4	17,6	30,2	31,8	
10. Textile, leather, wood and paper articles	858	792	674	297	445	1711		9,3	12,9	16,2	8,2	16,2	10,2		45,8	41,3	41,2	36,2	31,6	43,6	
11. Construction	112	14	2	13	-	173		1,2	0,2	-	0,4	-	1,0		50,4	51,7	71,4	43,6	-	74,6	
12. Commercial services	513	650	282	318	228	1541		5,6	10,6	6,3	8,7	9,3	9,2		76,6	78,5	74,8	75,8	85,0	77,3	
13. Transport services	1056	1009	718	756	403	3664		11,5	16,4	17,3	20,8	14,9	21,9		69,3	65,7	64,5	60,0	74,4	66,8	
14. Other services	281	110	123	253	202	523		3,0	1,8	3,0	6,9	7,4	3,1		73,5	84,4	44,0	82,5	81,4	70,8	
Total added value exported	9221	6156	4161	3543	2737	16730		100,0	100,0	100,0	100,0	100,0	100,0		-	-	-	-	-	-	
Total value of exports	19851	12559	8701	8024	6735	34016		-	-	-	-	-	-		-	-	-	-	-	-	
Total value added exported / total value of exports	-	-	-	-	-	-		-	-	-	-	-	-		46,4	49,0	47,8	45,4	40,6	46,3	

Sources : Input - Output tables 1965 Rev. SOEC

Notes : 1. For each country these are intra- and extra-EEC exports and for the Community extra-EEC exports

2. The EEC column does not represent the sum of the national columns. It gives only the extra-EEC exports of the Member States

COMMENTS

The following two tables show on the basis of the national Input-Output tables the added value contained in the exports of the branches grouped in 14 positions. In the absence of the converse matrix of the table of intermediary trade, only the added value directly contained in the exports of the branch is given; this sets limits to the significance of the interpretation of the results. The added value of the branches situated up-stream from the branch considered is not taken into account in the calculations. This leads to an inexact assessment of the relative importance of the total added value really exported by each branch.

A. Table A gives, by groups of exporting branches, the amount of the value added exported, its relative importance in relation to the total of the value added exported, and the share of direct value added contained in the exports. For the first two parts of the table, the level reached depends, on the one hand, on the absolute value of the exports by branch and, on the other, on the percentage of added value included in each product exported. The share of direct added value contained in the exports is relatively stable from country to country and from branch to branch, with exception of the "services" branches (where it reaches and exceeds 70 %). These percentages in fact represent the share of the added value of a branch in the value of its production, a share which is considered to be constant whatever the destination of the product (internal market or export). On the average, for all the branches, this percentage varies between 45 % for the Netherlands and 49 % for France, Belgium being at a lower level with less than 41 %.

7.2 -- B) SHARE OF THE EXPORTED ADDED VALUE IN THE ADDED VALUE OF THE GROUPS OF BRANCHES

- 1965 -

%

Groups of branches	G	F	I	NL	B	EEC
1. Products of agriculture and fisheries	1,7	6,6	5,0	22,8	11,9	1,9
2. Energy products	4,9	4,1	6,8	21,6	10,7	3,2
3. Non-energy products	13,0	14,6	11,1	21,7	40,5	7,2
4. Products of the chemicals industry	23,0	15,9	17,9	48,3	57,5	14,2
5. Metal goods	8,5	6,1	16,4	16,6	20,6	5,8
6. Non-electrical machinery	33,2	15,4	42,6	49,2	63,0	18,4
7. Electric and electronic equipment	23,7	14,9	23,4	54,0	43,3	15,1
8. Motor car and ship building	24,6	20,7	25,3	38,7	53,7	19,2
9. Products of the food industry	1,7	6,3	2,8	18,3	11,1	3,0
10. Textile, leather, wood and paper articles	8,2	10,9	15,7	22,4	37,9	6,9
11. Construction	1,1	0,2	0,0	0,9	-	0,6
12. Commercial services	3,2	5,4	4,0	14,5	9,6	4,0
13. Transport services	16,3	21,6	21,7	51,5	36,6	21,5
14. Other services	1,1	0,4	0,7	5,1	4,2	0,7
TOTAL	8,2	6,4	7,3	20,2	17,2	5,5

Sources : Input-Output tables Rev. SOEC.

- NOTES : 1. For each country these are intra-and extra-EEC exports and for the Community extra-EEC exports.
2. The EEC column does not represent the sum of the national columns. It gives only the extra-EEC exports of the Member States.

COMMENTS

B) In this table the exported added value is related to the added value of the branch. The differences are much more appreciable between, on the one hand, the group of large countries - Germany, France and Italy - where the exported added value represents only 6-8 % of the global added value of the economy, and, on the other hand, the Benelux countries -between 17 % for Belgium and 20 % for the Netherlands.

These figures are in conformity with the importance of exports in the production of each country since, at the level of a branch, the percentage of added value exported in relation to global added value is equal to the share of the exports in the value of production.

The high percentages of exported added value are found for all the countries in the branches exporting sophisticated industrial products and in the "transport services" branch. The low exported added value in Germany for agricultural products should be noted. The fact is that the agricultural exports of this country are the smallest in absolute value of all the EEC Member States.

7.3 - DEGREE OF CONCENTRATION OF EXPORTS

Share of the six leading client countries and of the first ten groups of products in exports

in %

	6 leading client countries a)		6 leading extra-Community client countries a)		Groups of products b)	
	1960	1970	1960	1970	1960	1970
Germany	43,6	55,4	46,1	49,2	43,7	44,1
France	53,3	58,9	46,5	41,5	37,5	35,8
Italy	51,2	57,9	45,5	45,4	46,9	46,8
Netherlands	63,3	73,3	50,2	47,9	35,8	35,1
BLEU	65,8	78,2	49,3	49,7	43,4	41,8

Source : SOEC - External trade/Monthly Statistics 1961/2 - 1972/3
Analytical tables of external trade 1960-1971.

- a) In the first two columns we compare exports to the six leading client countries with total exports, while the following two columns give the ratios between exports to the 6 leading client countries outside the Community and total extra-Community exports.
- b) The groups of products have been chosen on the basis of the three digit classification of the CST (ex. 732 motor vehicles, 673 iron bars; 674 sheet, etc..).

COMMENTS

The share of the 6 leading client countries in total exports has increased appreciably in all the Community countries, and particularly the Benelux countries, where the concentration of exports already attained very high levels in 1970. On the contrary, most of the six leading extra-Community client countries in total exports has evolved in divergent fashion : a slight increase in Germany, a marked fall-off in France and the Netherlands.

These trends may perhaps imply the hypothesis that the creation of the EEC has reinforced the links between the Community countries as regards foreign trade, but this above all for those countries which already had an economic structure centred mainly on exports.

As regards the analysis by groups of products, there is no clear tendency to concentration. Only in Germany is the share of the first 10 groups of products growing, whereas for the others a slight trend to diversification seems to be manifesting itself.

7.4 - SHARE OF COMMUNITY EXPORTS IN INTERNATIONAL TRADESHARE OF INTRA-COMMUNITY EXPORTS (1)

Value '000000 u.a

	TOTAL 0 - 9		Food, beverages, tobacco 0 + 1		Raw materials and energy products 2 + 3 + 4		Industrial products and other products 5 + 6 + 8 + 9		Machinery and transport equipment (7)	
	1960	1970	1960	1970	1960	1970	1960	1970	1960	1970
GERMANY	2,7	4,5	0,4	1,4	1,6	1,9	3,6	5,7	4,0	6,3
FRANCE	1,6	2,8	1,2	3,9	1,1	1,5	2,2	3,2	1,4	2,8
ITALY	0,8	1,9	1,1	1,4	0,3	0,6	1,1	2,5	1,0	2,1
NETHERLANDS	1,5	2,4	2,5	4,6	1,0	2,2	1,5	2,6	1,0	1,2
B.L.E.U.	1,5	2,6	0,5	1,9	0,7	0,8	3,0	4,5	0,9	1,8
Community	8,1	14,2	5,7	13,2	4,7	7,0	11,4	18,5	8,3	14,2

SHARE OF EXTRA-COMMUNITY EXPORTS (2)

GERMANY	6,4	6,7	0,6	1,1	1,4	1,2	8,8	7,9	13,8	11,4
FRANCE	3,8	3,0	2,8	2,6	1,4	0,8	5,9	3,7	4,7	3,7
ITALY	2,1	2,4	1,4	1,3	0,8	1,0	2,9	3,1	2,6	3,3
NETHERLANDS	1,7	1,5	2,3	2,0	1,4	1,3	1,8	1,4	1,7	1,4
B.L.E.U.	1,5	1,2	0,2	0,4	0,6	0,6	3,4	2,1	0,9	1,0
Community	15,5	14,8	7,3	7,4	5,6	4,9	22,8	18,2	23,7	20,8

1) Share of intra-Community exports in world exports (total and for the classes of products) (CST)

2) Share of extra-Community exports in world exports (total and for the classes of products) (CST)

Source : SOEC - Monthly Statistics of external trade N° 9/1972

COMMENTS

From the study of the tables it may be seen that the increase in the importance of the Community in world trade arises from the much more rapid progress of intra-Community trade. This applies to all categories of products, but it must however be stressed that extraCommunity exports of agricultural and food products have maintained their share in world trade, whereas for industrial products and transport equipment, we note a fairly clear reduction.

As regards intra-Community trade we note that trade in agricultural products has increased most strongly particularly in the cases of France and the Netherlands. For industrial products in the wide sense it is Italy which has experienced the most rapid growth, but Germany continues to be far and away the first exporter in the Community.

Regarding extra-Community exports, it may be noted that all the Member Countries with the exception of Italy have registered a loss in their share of the market for industrial products in the wide sense.

8.1 - GENERAL GOVERNMENT EXPENDITURE

Percentage of public consumption and gross fixed asset formation by general government in G D P

in %

		Germany	France	Italy	Netherl.	Belgium	Luxembourg
Public consumption	1956-1960 ^{a)}	13,1 ^{b)}	13,7	12,3	14,2	11,8	11,4
	1961-1965	14,0	12,8	13,1	15,1	12,8	11,2
	1966-1970	15,8	12,3	13,4	15,9	13,8	11,3
Gross fixed asset formation by general government	1956-1960 ^{a)}	3,0	2,2	3,2	4,0	1,8	5,9 ^{c)}
	1961-1965	4,1	2,9	2,7	4,6	2,5	4,6 ^{c)}
	1966-1970	4,0	3,4	2,4	5,7	3,2	4,1 ^{c)} d)

a) Uncorrected figures

b) Without the Saar and West Berlin

c) Gross fixed asset formation by post and telecommunications, hydroelectric power stations and aviation is included in gross fixed asset formation by undertakings from 1963.

d) 1966-1969

Source : National Accounts - SOEC, 1966, 1971.

NOTES : These figures represent five-yearly averages.

COMMENTS

There has been a regular increase in public consumption in all the countries except Luxembourg, where it has remained stable, and France, where a noticeable decrease can be observed. In the case of France this decrease is partly compensated by a considerable effort in the field of public investments. For it is in France - and Belgium - that the highest rates of increase in gross fixed asset formation by the government are recorded.

The trend of the data shows a tendency for the share of public investment in the GDP to increase, except as regards Italy, where a steady decline is observed, and Germany, where general government investment has undergone relative stagnation over the last ten years.

The importance of public spending varies somewhat from country to country inside the Community, and the differences between the countries show a fairly clear tendency to increase.

8.2 - THE STRUCTURE OF GENERAL GOVERNMENT RESOURCES

(%)

	GERMANY		FRANCE		ITALY		NETHERLANDS		BELGIUM		LUXEMBOURG	
	1960	1970	1960	1970	1960	1970	1960	1970	1960	1970	1960	1969
Direct taxes on households	18,6	23,5	10,9	12,4	12,8	14,8	27,2	25,2	21,8	24,9	19,5	22,2
Direct taxes on corporations	7,6	4,7	6,9	6,4	5,8	4,6	9,7	6,1	5,9	6,8	17,1	11,3
Indirect taxes	40,4 ^{a)}	35,5 ^{a)}	47,3	39,2	43,1	37,4	29,7	26,5	41,9	36,6	29,1	30,1
Social security contributions	27,3	30,6	32,9 ^{b)}	38,9 ^{b)}	29,1	34,1	24,2	33,7	26,0	29,2	27,6	26,8
Other	6,2	5,7	2,0	3,1	9,3	9,1	9,3	8,5	4,3	2,5	6,8	9,6
Current receipts	100	100	100	100	100	100	100	100	100	100	100	100
Current saving	20,3	15,9	11,3	12,6	10,8	2,2	16,1	11,5	- 3,4	4,8	21,5	11,7
Net lending (+) or net borrowing (-)	9,3	1,9	1,6	1,5	-1,2	-0,3	2,3	-0,5	-	-	-	-

a) Including compulsory accident insurance

b) Including the other current transfers from undertakings and households and the equivalent value (contributions charged) of the social security benefits furnished directly to general government personnel and the personnel of certain public undertakings.

Source : National Accounts - SOEC 1966 , 1971

COMMENTS

In the course of the period 1960-1970, almost all the member countries witnessed a parallel development in the pattern of general government resources.

There has been a general increase of social security contributions and direct taxes on households, while indirect taxes and direct taxes on corporations have gone down. However, as a result of the great differences in the initial pattern in the various countries, considerable divergences persisted in 1970.

While in France and Italy the system relies mainly on indirect taxes and social security contributions, in Belgium and the Netherlands direct taxes on households provide a greater share of the resources.

As regards current saving, there are also quite distinct divergences which show how greatly the policy for financing public infrastructures differs from country to country.

3.3 - FINANCING OF SOCIAL SECURITY

(%)

Sources	Periods	Germany	France	Italy	Netherlands	Belgium	Luxembourg
Households	1962	28,5	21,4	14,3	37,0	22,9	20,2
	1970	30,8	23,1	15,5	39,0	23,3	23,8 a)
Undertakings	1962	39,4	56,5	57,8	32,6	39,3	37,7
	1970	35,0	54,1	50,0	34,6	43,2	30,2 a)
State	1962	31,5	21,8	24,9	29,9	37,1	41,2
	1970	33,8	22,1	30,2	26,3	33,3	45,5 a)
Other	1962	0,6	0,3	3,0	0,5	1,6	0,7
	1970	0,4	0,7	3,7	-	0,2	0,5 a)

a) 1969

Source : Social accounts 1962/1970 - SOEC. Social statistics n° 2/1972.

COMMENTS

A comparison of the patterns of social security financing in 1962 and 1970 reveals a transition in almost all the countries from a financing system founded chiefly on the undertakings to a more balanced distribution over the three main categories of resources. For, except in the Netherlands and Belgium, the share of households and the State has increased, while that of the undertakings has gone down. In 1970 we nonetheless still see considerable differences between the financing patterns in the various countries, particularly as regards the share provided by households and undertakings, while the State's share varies less from country to country and remains relatively more close to the Community average.

8.4 - BREAKDOWN OF PUBLIC EXPENDITURE

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(Z)

	GERMANY		FRANCE		ITALY		NETHERLANDS		BELGIUM		LUXEMBOURG	
	1957	1966	1957	1966	1957	1966	1957	1966	1957	1966	1957	1966
	General administration of which : transfers	9,5 0,4	9,3 0,5	12,0 3,7	9,5 2,7	13,9 0,3	12,2 0,6	10,2 3,2	12,3 3,7	9,3 0,5	9,6 1,4	11,1 0,2
National defence of which : transfers	8,8 0,1	9,9 0,4	18,0 0,5	10,4 0,4	9,7 -	7,6 -	14,3 0,3	8,1 0,2	12,7 0,3	7,6 0,1	6,1 0,2	3,3 0,1
Transport and communications of which : transfers	6,2 1,7	7,6 3,1	7,8 4,1	8,0 4,3	8,6 6,0	7,6 5,2	9,8 1,3	9,5 1,9	11,8 3,5	12,7 4,2	11,6 2,6	16,3 7,7
Crafts, trade and industry of which : transfers	3,9 0,7	2,7 1,1	6,8 3,8	6,8 3,9	1,3 0,6	2,4 1,5	3,3 0,5	3,8 1,2	3,2 2,2	2,8 2,0	3,6 0,4	1,2 0,9
Agriculture of which : transfers	5,5 2,5	4,0 2,4	2,8 1,7	3,3 2,5	5,4 4,3	4,5 2,7	5,6 3,7	3,5 2,0	1,3 0,9	2,3 1,8	7,8 6,9	6,8 5,8
Education, cultural and religious activities of which : transfers	7,8 1,3	10,1 1,8	8,3 1,6	13,1 2,2	9,7 1,3	13,9 2,6	12,6 11,5	16,4 15,3	12,7 8,5	14,7 9,4	10,9 2,8	12,9 1,8
Social security of which : transfers	37,0 29,6	40,9 33,9	31,5 29,3	38,6 35,5	35,4 31,2	41,2 38,7	27,8 23,6	36,3 31,6	34,6 33,9	36,6 34,4	38,7 31,3	42,1 36,2
Construction of housing of which : transfers	5,2 0,4	3,6 1,0	3,5 0,8	4,4 1,9	1,4 1,1	1,0 0,8	9,7 8,1	7,3 7,62	1,2 1,1	1,1 0,8	1,9 1,8	1,3 1,2
War damage, natural disasters, of which : transfers	11,9 10,6	7,5 6,8	5,5 5,5	2,6 2,6	5,3 5,0	2,9 2,7	1,4 1,3	0,2 0,2	5,8 5,5	2,7 2,0	4,7 4,1	0,8 0,7
Not itemized of which : transfers	4,2 1,3	4,6 1,9	3,8 0,4	3,3 -	9,3 3,4	6,7 1,9	6,3 4,6	1,9 1,4	7,4 3,1	9,7 3,8	3,6 2,4	3,5 2,6
Total of public expenditure of which : transfers	100,0 48,6	100,0 52,9	100,0 51,4	100,0 56,0	100,0 53,2	100,0 56,7	100,0 54,6	100,0 65,1	100,0 59,5	100,0 59,9	100,0 52,7	100,0 57,4

a) Subsidies to municipal authorities for financing building loans = 88 %, i.e. 6,9.

Source : Development of public finances in the Member States of the European Communities from 1957 to 1966. CEC Studies, Economic and Financial Series No 8/1970

NOTE : The transfers represent transfers of capital or income to local authorities, social security, households, farmers, private undertakings ; salaries and pensions of teachers (State-employed or private, Netherlands and Belgium) ; subsidies (railways, private undertakings, coal-mining industry, agriculture, construction of housing); and aids to investment (interest subsidies and grants).

COMMENTS

The development of the pattern of public expenditure in the member countries of the Community shows many common characteristics.

On the whole, there is a decrease, which is sometimes considerable, in expenditure on general administration and national defence -- items that accounted for about 20 % of total expenditure in 1966.

The development is more varied for transport and communications, but the general tendency seems to be upwards. The sensitivity of this item to cyclical influences makes interpretation of the facts more difficult. In the case of sectoral intervention, too, the trends sometimes diverge from country to country, but the considerable part played by action in the form of transfers is observed everywhere.

In all countries, education and cultural activities have increased their share in public spending, as is clear from the substantial development of transfers. Social measures have also greatly increased their relative share, particularly in the form of transfers connected with the various social security schemes.

All in all, there seem to be no great structural differences between the member countries in the breakdown of public expenditure. This applies to the main categories of expenditure; but it is probably only true to a much lesser extent of the specific items, where the relative differences are doubtless still considerable.

COMMENTS

In all the countries there is a clear correlation between the level of the GDP per employed person and the structure of activities in the regions : the maxima are reached in the most urbanized regions, which have a high proportion of specialized activities and of leading jobs in industry and services ; the minima are found in predominantly agricultural regions.

Of all the Community countries, the differences between regions are most marked in Italy. This is reflected notably by the fact that it is the only country where, in large regions, the GDP per employed person is more than 20 % below the national average.

9.2 -- REGIONAL UNEMPLOYMENT RATES

A. Population of the regions in which unemployment is distinctly below or above the national averages

as % of total population

	1968	National unemployment rate	I	II
Germany		0,8	26,1	17,7
France		1,6	-	10,9
Italy		3,2	-	17,3
Netherlands		1,4	46,9	34,5
Belgium		2,6	-	13,0

I : Percentage of total population of the regions in which the unemployment rate is 40% or more below the national average

II : Percentage of total population of the regions in which unemployment is 40% or more above the national average

B. Population of the regions in which unemployment is distinctly below or above the community average of 1.8%

as % of total population

	1968	National unemployment rate	I	II
Germany		0,8	94,0	-
France		1,6	34,4	10,9
Italy		3,2	-	73,3
Netherlands		1,4	46,9	10,9
Belgium		2,6	-	59,7
EEC (without Luxembourg)		1,8	42,8	27,8

I : Percentage of the total population of the regions in which the unemployment rate is 40% or more below the Community average ($\leq 1,1\%$)

II : Percentage of the total population of the regions in which the unemployment rate is 40% or more above the Community average ($\geq 2,5\%$)

COMMENTS

A. Objectively speaking, the lower the average unemployment rate of a country is, the less the differences between the regions of that country can be significant.

But, subjectively speaking, the same unemployment rate can be felt, or not felt, as the indication of a problem, depending on whether the national average lies above or below that rate.

B. Reference to a Community average gives a more alarming impression of the unemployment situation in large regions of Italy and Belgium than reference to the national average.

9.3 - REGIONAL ACTIVITY RATES

A. Proportion of the male population resident in the regions in which the activity rate is at least 3% (column I) or above (column II) the national average

as % of total male population

1968	Activity rate	I - $\leq 3\%$	II - $\geq 3\%$
Germany	83,3	1,9	-
France	83,6	9,5	-
Italy	83,2	27,3	-
Netherlands	83,3	-	-
Belgium	80,6	20,0	-

B. Proportion of the female population resident in the regions in which the activity rate is at least 15% below (column I) or above (column II) the national average

as % of the total female population

1968	Activity rate	I - $\leq 15\%$	II - $\geq 15\%$
Germany	40,3	29,9	35,2
France	46,6	18,7	19,2
Italy	29,9	24,0	26,9
Netherlands	26,3	-	-
Belgium	33,6	-	16,4

Sources : Labour forces survey 1968 - SOEC, Social statistics n° 6/1969.

COMMENTS

There are two reasons why it is desirable to examine the activity rates (expressed as % of population of working age) separately for the male population and for the female population:

- (i) the average activity rate is very sensitive to the differences in social attitude towards the employment of women - the case of the Netherlands as regards working mothers is a particularly clear example ;
- (ii) the differences in activity rates between regions in the same country are proportionally much bigger for women than for men.

A. The average activity rate of the male population is particularly low in Belgium. As the population of the regions in which this rate is significantly below the national average is relatively large, and that ties up with what was pointed out regarding unemployment , this activity rate indicates the existence of a problem of adaptation between employment demand and supply.

In Italy the average activity rate is normal, but some large regions show distinctly lower figures.

B. As regards the activity rate of the female population there are substantial differences between regions in Germany, in France and in Italy. It would seem that this can be regarded as indicating a lack of supply in some large regions rather than a regional difference in attitude towards the employment of women.

10.1 - DEVELOPMENT OF PRIVATE CONSUMPTION PER INHABITANT

(at 1969 prices and exchange rates)

Five-yearly growth rates

(%)

	1960/1955	1965/1960	1970/1965
Germany	31,7 a)	23,1	21,0
France	17,5	25,9	23,3
Italy	22,3	26,9	32,8
Netherlands	12,2	27,4	26,4
Belgium	9,8	15,8	21,6
Luxembourg	-	19,5	13,9
EEC	22,7 a)	24,7	24,5

a) Without the Saar and West Berlin until 1959.

COMMENTS

In fifteen years the individual standard of living in the Community has nearly doubled. All in all, the advance b five-yearly periods has been fairly regular.

The differences in the rates of advance between the member countries, which were conspicuous during the first period, were greatly reduced thereafter.

Italy has, on the whole, achieved a growth rate decidedly above the average, enabling it appreciably to reduce the gap between itself and the other countries. On the other hand, in the case of Germany a progressive slowing-down has been observed, while in Belgium the rate has gradually but very distinctly speeded up.

10.2 - SCHOOL ATTENDANCE RATE

A) Pupils and students

	In relation to total population		Increase in %	In relation to population aged from 5 to 21 years	
	1960	1970	1970 / 1960	1960	1969
Germany	12,7	15,6	34,6	44,4	52,6
France	18,1	19,7	21,0	59,8	59,0
Italy	13,7	16,6	31,9	42,8	56,0
Netherlands	19,8	20,3	16,5	56,3	56,1
Belgique	15,9	19,0	26,5	57,3	61,0
Luxembourg	12,4	15,4	33,3	46,3	51,3

Sources : SOEC General Statistics n° 12/1970 and n° 6/1972; Social statistics yearbook 1970-SOEC, 1971.

B) Development of the number of pupils with secondary school leaving certificates

	1959/1960	1968/1969	Increase in %
Germany	56.637	76.399 ^{a)}	+ 34,9
France	59.287	122.129	+ 106,0
Italy	32.017	53.463	+ 67,0
Netherlands	11.500	22.375	+ 94,6
Belgium	11.590	28.568 ^{a)}	+ 146,5
Luxembourg	323	610 ^{a)}	+ 88,9

a) 1967/68

Source : Social statistics yearbook 1970 - SOEC, 1971.

NOTE : The persons considered here as pupils with secondary school leaving certificates are pupils of institutes of general education (classical and technical secondary schools) and certain institutes of specialized education giving access to higher education and university courses (Germany and Italy).

COMMENTS

A) Pupils and students

The trend in the number of people attending school between 1960 and 1970 shows a considerable increase in all countries, particularly in countries like Germany, Italy and Luxembourg, where the school attendance rate was the lowest in 1960, both in relation to the total population and to the population of school age.

As a result, the school attendance rates in the different countries were closer together in 1970 than in 1960.

Some doubts may be raised concerning the comparability of the rates given for Germany, which seem too low for both 1960 and 1970.

B) Development of the number of pupils with secondary school leaving certificates

The number of these pupils has increased in all the countries, especially in Belgium, where the number in 1968/1969 was nearly three times that in 1959/1960. In France, which already had almost the largest number in 1959/1960, the figure doubled by 1968/1969.

10.3 - HOUSING

A. Age of dwellings

	Germany		France		Italy		Netherlands		Belgium		Luxembourg	
	1961	1968	1962	1968	1960	1966	1960	1964	1961	1968	1960	?
After 1946	46	51	17	29	-	61	20	38,6	24,6	-	25	-
From 1919 to 1945	22	17	21	71	-	39	38	61	75,4	-	25	-
Before 1918	41	32	62		42		50			-		

B. Amenities

Running water	96,7	-	70	83	61	-	90	-	76,9	-	98,8	-
Water closet	64	80	37	52	62	-	86	-	89	-	54	-
Bathroom/shower	49	68	25	41	29	-	27	-	24	-	46	-

Sources A and B : Social statistics yearbook 1970 - SOEC.
Survey of housing conditions - SOEC, Social statistics n° 3/1967.

C. Rate of construction

	1962	1969	1962	1969	1962	1969	1962	1969	1962	1969	1962	1969
	Number of dwellings built during the year as a percentage of existing stock of dwellings	3,3	2,4	1,8 ^{a)}	2,3	2,5	1,7	2,7	3,4	1,6	1,6 ^{b)}	-

a) $\frac{1962}{1962}$ b) $\frac{1969}{1967}$

Sources : Social statistics yearbook 1970 - SOEC.
Basic Statistics 1963 and 1971, SOEC.

NOTE : Number of dwellings completed in 1962 and 1969
existing stock of dwellings in 1961 and 1968

D. Annual growth rate of the stock of dwellings

1968/1961	2,9	1,7 ^{a)}	2,2	2,9	1,6 ^{b)}	-
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a) 1968/62 b) 1967/61

Source : Social statistics yearbook 1970-SOEC.

COMMENTS

The stock of dwellings grows at a rate very close to the rate of construction: this implies that, generally speaking, hardly more dwellings are being demolished now than over the preceding periods. This probably explains to a large extent the relatively poor provision of sanitary amenities. Nevertheless, the improvement in this respect is 50 % due to the renovation of older dwellings.

The number of available dwellings is increasing faster than the population. Locally, however, the situation may remain difficult, especially in the urban centres where the population tends to be concentrated.

10.4 - GENERAL GOVERNMENT EXPENDITURE

71.

A) On education, cultural (and religious) matters

	GERMANY		FRANCE		ITALY		NETHERLANDS		BELGIUM		LUXEMBOURG	
	1957	1966	1957	1966	1957	1966	1957	1966	1957	1966	1957	1966
	As % of G N P	3	4	3,2	5,4	2,9	5,1	5,0	7,7	3,6	5,7	3,3
As % of total public expenditure	7,8	10,1	8,3	13,1	9,7	13,9	12,6	16,4	12,7	14,7	10,9	12,9

Breakdown by type of education

en %

Primary education	45	41	60	-	52	38	55	46	51	31	69	55
General secondary education	21	20	15,5	-	12	24	11	10	19	28	19	17
Secondary vocational education	15	12	14	-	15	12	23	20	24	31	10	13
Higher education	17	24	7,5	-	3	6	10	22	6	10	1	2,5
Other	2	3	-	-	17	19	1	1	-	-	1	2,5
	100	100	100	-	100	100	100	100	100	100	100	100

B) On health care a)

As % of G N P	5,7	9,7	4,0	5,1	3,7	7,6	4,3	7,5	3,7	5,5	4,7	6,0
As % of total public expenditure	14,4	22,1	10,5	15,8	12,3	21,3	10,9	16,3	12,9	14,4	15,4	15,2

a) Public health and social security benefits for sickness, invalidity and occupational diseases

COMMENTS

General government spending on education and cultural matters has increased very considerably in all the member countries with the possible exception of Germany. The increase has been especially noticeable in those countries where the population of school age has grown most; but the most important factor has been the considerable rise in the school attendance rate of young people of school age.

The comparison of expenditure by type of education raises certain problems, because the comparability of the data is not certain, particularly in the case of primary and general secondary education. Nevertheless, if these two types of education are regrouped, they are generally still seen to represent 60 % of total expenditure on education.

Secondary vocational education shows a relative decline in all the countries, except Belgium and Luxembourg. As regards Belgium it must be stressed that this branch of education accounts for a decidedly larger share of expenditure than it does in the other countries of the Community. In all the countries, higher education has been the branch in which the greatest relative increase in public spending has taken place.

There has been an even greater relative rise in public spending on health care than on education, particularly in Germany and Italy. This development has, however also brought with it an increased dispersion of the resources assigned by each country to this category of expenditure.