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Social Dialogue Summit - July 1992

For the first time since January 1989 a full Social Dialogue meeting took place in Brussels at the beginning of July. The Summit meeting provided an opportunity for all the parties involved in the social dialogue - the European Commission, the ETUC; the European employers' association, UNICE; and the European public sector organisation, CEEP - to consider the implications of the Maastricht Agreement for the future of the social dialogue. The meeting resulted in the adoption of two statements: one on a renewed cooperative growth strategy for more employment, and one on the future of the social dialogue (see following pages).

Commenting on the results of the meeting, European Commission President, Jacques Delors, said that it had given rise to new exchanges of views between the partners on the social dimension. Looking ahead to the future role of the social dialogue process, European Commissioner, Vasso Papandreou, said that "we must ensure that the collective conventions have an impact in the future and that they are applied throughout the Community and not just in Brussels". She

stressed that the mandate given to the social partners must be clear and that there should be suitable follow-up arrangements. Norman Willis, President of the ETUC, underlined the commitment of the European trade union movement to the social dialogue process. The social dialogue had been designed to allow the European trade unions to play a role, along with the employers, in shaping the future development of European social policy, he said. "We have accepted to go down this path and assume our responsibilities, we have done some good work together"

One of the consequences of the agreement reached between the parties was that the summit meeting should, in future, become an annual event. Speaking to the press following the summit meeting, both the President and the General Secretary of the ETUC emphasised the importance of the Maastricht Treaty being ratified. A summary of the agreement on employment and growth, and the full text of the statement on the future of the social dialogue can be found on the following pages.



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Eurobarometer Survey	7
Vocational Qualifications Directive	8
Social Charter News	10
Employment in Europe	12

SOCIAL DIALOGUE SUMMIT

A Renewed Co-operative Growth Strategy for More Employment

The following is a summary of the main points of the statement on growth and employment adopted by the Social Dialogue summit meeting on 3 July 1992.

The statement recalls the support given by the social partners to the 1986 Community Strategy for employment and growth. Although the required measures were not fully implemented in every Member State, more than 8 million additional jobs were created between 1985 and 1990 and the EC rate of unemployment fell from 10.8% to 8.3%. During recent years however, there has been a stagnation in employment growth, In addition, fears have been voiced that the convergence criteria attached to the movement towards economic and monetary union might have temporary negative demand effects. For these reasons a renewed co-operative growth strategy for more employment is required.

The macroeconomic strategy required to revitalise the economy should include the following:-

- Growth has to be encouraged by a rapid reduction of interest rates achieved by sound economic policies.
- The conduct of wage negotiations is under the responsibility of the social partners. The more credible and socially acceptable economic policies are, the easier the social partners can anticipate low or decreasing inflation rates in the results of their wage negotiations.
- The implementation of such a macroeconomic policy geared towards employment growth would help to compensate for possible temporary negative effects on demand so that consumer and business confidence would be restored and interest rates could be cut.

Higher levels of competitiveness, growth and employment should be supported by structural reforms at the national level to improve the operation of markets. These should include:-

 Reforms to the labour market and particularly the strengthening of training and retraining

- should improve its adaptability and its efficiency in order to support the creation of employment.
- Enhanced competition in the markets for goods, services and capital serves to maintain and strengthen the competitiveness of European enterprises on world markets and to facilitate the passing-on of high productivity gains via price reductions.

The implementation of Community policies should also underpin the renewed co-operative growth strategy for more employment. Within this context it is essential that the Single Market is completed on schedule and that the Community must have appropriate financial means to realise its commitments. The advancement of economic and social cohesion, the construction of trans-European networks, and investment in human capital and research and development, have also an important role to play.

Close integration of the social partners in the economic policy dialogue at all appropriate levels has the potential to enhance the climate of mutual co-operation in the context of EMU and of a renewed Community growth strategy. At Community level, the social dialogue should include the aspects of convergence programmes, EC structural policy instruments and multilateral surveillance relevant to the social partners. Appropriate consultations through a social dialogue or through other equivalent means at the national level would also allow the social partners to make their views known to the authorities whose task is to elaborate convergence programmes for which governments take full responsibility. This would improve the social acceptability of these programmes and lead to their more efficient implementation with the active support of the social partners.

SOCIAL DIALOGUE SUMMIT

The Future of the Social Dialogue

The following is the full text of the joint statement on the future of the social dialogue which was adopted by all three parties. The British employers' association, the CBI, however formally recorded its reservations concerning the statement until it had been examined by the CBI Council. Article 4 of the Agreement on Social Policy which is annexed to the Maastricht Treaty is also reproduced.

The Presidents and Secretaries General of ETUC, CEEP and UNICE, together with the presidents and secretaries general of their affiliates, met in Brussels on 3 July 1992 at the invitation of Jacques Delors, Commission President, and Vasso Papandreou, Social Affairs Commissioner.

On winding up the meeting, they confirmed the importance to the Community of the issues involved in the ratification of the Maastricht Treaty by the end of this year and recalled that their agreement of 31 October 1991 had been decisive in helping the Heads of State or Government define the role that the social partners will be called upon to play in the future development of the Community social dimension.

They welcomed the fact that the Protocol and the Agreement on Social Policy annexed to the Treaty strengthens the role of the social partners in framing and carrying through the European social dimension. They noted that the Agreement legitimizes the employers' and workers' organisations who are partners in the European Social Dialogue, by giving them an institutional right to be informed and consulted in advance on all Community initiatives which concern them; it also ushers in a further stage in the social dialogue including the production of joint opinions, the formulation of recommendations and the negotiation of agreements which commit the signatories in accordance with Article 4(2).

They noted that the agreement of 31 October 1991 had not been incorporated in its entirety into the Agreement on Social Policy annexed to the Treaty. They urged that the Council decision provided for in Article 4(2) should refer to agreements "as concluded" in the course of the negotiations between the social partners, and if the social partners jointly so request, that the Commission accept an extension of the nine month negotiating period.

In this further stage, they stressed their determination to give a high profile to the results of the social dialogue in its various forms; they believed it necessary, having regard to respect for the social partners' autonomy and to the principle of subsidiarity, to give scope for any European framework agreements to be carried through at the appropriate levels within Member States, in accordance with procedures agreed upon by the social partners in each country. The social partners concerned at sectoral level may, should they consider it desirable, develop a sectoral dialogue at their level along the most appropriate lines.

Lastly, they affirmed their determination to implement the new Community procedures under the conditions laid down by the agreement of 31 October and in accordance with the new Treaty, To this end, the existing Steering Group and Ad Hoc Working Group are replaced by a Social Dialogue Committee.

Agreement on social policy concluded between the Member States of the European Community with the exception of the United Kingdom.

- 1. Should management and labour so desire, the dialogue between them at Community level may lead to contractual relations, including agreements.
- 2. Agreements concluded at Community level shall be implemented either in accordance with the procedures and practices specific to management and labour and the Member States or, in matters covered by Article 2, at the
- joint request of the signatory parties, by a Council decision on a proposal from the Commission.
- 3. The Council shall act by qualified majority, except where the agreement in question contains one or more provisions relating to one of the areas referred to in Article 2(3), in which case it shall act unanimously.

NEWS : BRIEF

Commission Drafts Cohesion Fund Regulation

The European Commission has adopted a draft Regulation on the establishment of a European Cohesion Fund aimed at providing financial assistance for Member States with a GNP of less than 90% of the Community average. The proposal for a Cohesion Fund is contained in the Maastricht Treaty and, final proposals for the operation of the Fund will be presented by the Commission once the Treaty is ratified by Member States.

The Commission estimate that a total of 10 billion ECU will be required for the fund during the period 1993-97. The fund will provide assistance to less-developed Member States (Spain, Portugal, Greece and Ireland) for projects in the field of environmental policy and transport infrastructure. The Lisbon European Council meeting in June, whilst failing to agree on proposals for the future of the Community budget, did stress that the Cohesion Fund needed to be in operation by early 1993. It will provide one of the main means by which increased economic and social cohesion within the Community can be achieved over coming years.

European Collective Bargaining After Maastricht

Over 250 trade unionists gathered in Luxembourg at the beginning of June to attend a special conference on European collective bargaining which was jointly organised by the ETUC and the ETUI. The main purpose of the conference was to examine the developing trend towards European collective bargaining and to assess the likely effects of the Maastricht Agreement on this trend. The conference discussed many aspects of European-wide collective bargaining including the nature of the resulting agreements and the relationship between European bargaining and national bargaining.

The working papers for the conference were prepared by the European Trade Union Institute and they have been published as a special report. The ETUC Executive Meeting in October will attempt to draw the trade union conclusions from the wide ranging and important debate which took place, and the ETUI are planning to publish a full report on the conclusions of the Conference during 1993.

European Works Councils

The first steps towards the creation of a new European Works Council in the chemical sector were taken in September when trade union representatives from various Member States who represent employees of the Solvay Group met in Brussels. The meeting was organised by the European Federation of Chemical and Industrial Trade Unions (FESCID), which is one of the 16 industry committees of the ETUC. 40 trade union delegates from seven countries and representing 13 affiliated trade unions initiated an information and mobilisation campaign which they hope will lead to the establishment of a European Works Council for the Solvay Group.

Health and Safety - Janus

The latest issue of the European Commission health and safety publication - JANUS - looks at company health reports as an instrument for improving health at work, the potential hazards associated with photographic chemicals and the creation of a Community wide database on health and safety law. It also reports on recent research on the occupational health aspects of overseas work and methods of quantifying fire risks on board merchant ships. Trade unionists can obtain copies of JANUS from the address to be found on page 15 of this Bulletin.

NEWS : BRIEF

Single Market - The January 1993 Deadline Will Be Met.

European Commission Vice-President Martin Bangemann, speaking at the launch of the Commission's 7th report on the progress towards the creation of a single market, said that he was confident that the 1st January 1993 deadline for the single market would be met. The report claims that over 90% of the measures for eliminating internal Community borders have already been approved by the appropriate Community institutions and that 75% have been transposed into national law by Member States.

In introducing the report, Vice-President Bangemann made three important points. The first was that the single market was already having a positive impact on economic growth within the Community. Measures already taken by industry to prepare for the single market had created some 1.5 million jobs since 1988. Intra-Community trade has grown steadily from 54% of the foreign trade of Member States in 1985 to over 60% in 1991. This trend illustrates the improvements in competitiveness within the Community and the closer co-operation between European firms. Prices in the traditionally closely regulated sectors have fallen to the benefit of consumers in industry and of private citizens.

The second point made by Martin Bangemann was that the number of problems in relation to single market legislation is declining, particularly in the field of indirect taxation. The only major files on which the Council has yet to take a decision are the ones on the establishment of a Community trade mark and the proposal to create a European Company Statute. The third point was that the rate of transposition of Community directives into national law has increased dramatically. According to the latest Commission calculations 216 measures are already legally in force, 174 of which required national implementing measures.

Democracy, participation and the future of Europe.

Speaking at the opening of the International Forum on Work and Health, held in Paris in September, European Commissioner Vasso Papandreou emphasised the importance of democracy and participation for the future of the European Community.

The challenge of economic, monetary and political union cannot be met successfully, she said, without the widest possible participation of all social groups in the decision-making process, both within Member States and at Community level. Democracy and participation are the basic ingredients for a progressive Community and the concept of solidarity must become an essential feature of the development of such a Community. Commissioner Papandreou emphasised that European integration, with a reinforced democracy, participation and solidarity, is the challenge of our times, a challenge which, if it succeeds - and it has to succeed - will play a central role in history.

Acknowledging that citizens might feel remote from the life of the Community, she said that the remedies lie not only in the strengthening of the powers of the European Parliament, but also in the development of stronger regional and local authorities so that decentralisation will acquire the necessary representativeness and legitimacy. Mrs papandreou thought that the Maastricht Treaty drew a good balance among those concerned.

Speaking of the future priorities of the European Commission in the field of health and safety, Vasso Papandreou stated that they were to consolidate existing actions, control the implementation of existing directives and step up efforts to improve health and safety protection in the workplace.



The latest edition of "Hygeia"- the European Foundations' newsletter for the European Year of Safety and Health at Work - focuses on the problem of noise in the workplace. Work-induced deafness is one of the main recognised occupational diseases in the industrial countries and surveys indicate that as many as 37 million workers within the EC are exposed to potentially damaging levels of noise for significant proportions of their working time. The Hygeia article looks at some of the main problems associated with high levels of noise within the workplace - stress and reduced ability to communicate in addition to the dangers of deafness - and considers the need for preventative actions.

Hygeia also contains a round-up of developments from the Member States in relation to the European Year of Safety and Health at Work.

The European Foundation has also published its Programme of Work for 1992. The programme reviews the current activities of the Foundation in terms of its six major areas of activity:

- developing industrial relations and participation;
- restructuring working life;
- promoting health and safety;
- protecting the environment, the worker and the public;
- raising the standard and quality of life for all:
- assessing technologies of the future.

The latest issue of the regular newsletter of the Foundation - "News from the Foundation" examines both the role of the Foundation in facilitating information transfer to the countries of Central and Eastern Europe, and recent developments in relation to the protection and improvement of the urban environment.

Copies of all these publications can be obtained from the European Foundation, the address of which can be found on page 15 of this Bulletin.



European Centre for the Development of Vocational Training

Continuing Education and Training in the European Automobile Industry

A conference on continuing education and training in the European automobile industry was jointly organised earlier this year by CEDEFOP, the European Metalworkers Federation and the Hans Bockler Foundation. The main conclusions of the conference have now been published by CEDEFOP in the "CEDEFOP Flash" series.

The conference, which was attended by about 80 delegates, was designed to enable an exchange of information and experience on new approaches towards vocational training and continuing education within the sector. It also provided the participants with an opportunity to define possible areas for co-operation, particularly transfrontier co-operation. One of the key issues discussed was the impact of new production concepts (the ideas of "lean production") on vocational training and continuing education.

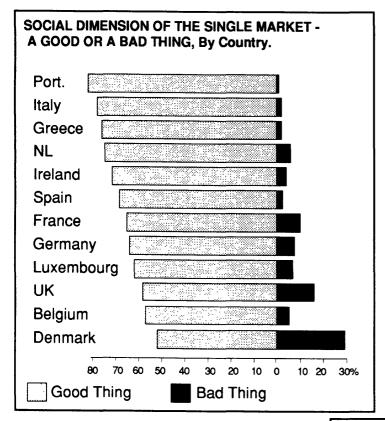
The conference provided a unique opportunity for both the trade unions (the EMF) and the employers (the Association of European Automobile manufacturers) to put forward their views on both the role of vocational training and the requirements of new production techniques. The Conference also allowed the participants to examine the role of Community training programmes, such as the FORCE programme, and their potential use within the automobile sector. European Commissioner, Vasso Papandreou, reminded the conference of the importance of the industry within the European economy: 9% of the working population were directly or indirectly dependent on the automobile industry. Restructuring within the industry meant that thousands of workers had to be retrained and this called for a more intensive dialogue between the two sides of industry.

CEDEFOP flash 2/92 "Continuing education and training in the European Automobile Industry" Available from CEDEFOP (see page 15 for address)

EUROBAROMETER

Public Opinion in the European Community

The latest edition of "Eurobarometer, the regular public opinion survey conducted on behalf of the European Commission, indicates that whilst overall support for the European Community has declined somewhat, it still remains high. 76% of Europeans are in favour of the efforts being made to



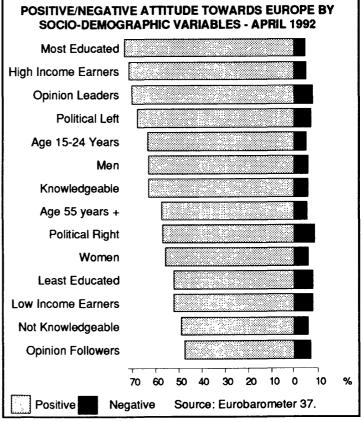
unify Western Europe. More than half of EC citizens (55%) favour the formation of a European Union with a European government responsible to the European Parliament, whilst only 20% oppose this idea. Support for full political union was recorded by a majority of respondents in all Member States other than the United Kingdom and Denmark.

As the table reproduced here indicates, support for the social dimension programme also remains high. An absolute majority of people in all Member States think that the social dimension is a "good thing" - the EC average for this viewpoint being 67%. Over recent months support for the social dimension has increased significantly in Luxembourg, Portugal, France and Greece. Only Denmark registered a significant, if still rather small, fall in the "good thing" response, as well as the strongest increase in the "bad thing" response.

One interesting finding of the survey was based on an analysis of positive and negative attitudes towards Europe by a number of sociodemographic variables. In general terms support for Europe is strongest amongst the younger, better educated groups as well as those who identify themselves with the political left. Support remains weakest amongst lowincome earners and opinion followers.

Fieldwork for the survey was carried out during March and April 1992 and involved almost 13,000 interviews throughout all the Member States of the Community. The full details of the result of the survey can be obtained from the Commission of the European Communities, DGX, Directorate General for Information, Communications and Culture.

Eurobarometer No. 37 Published June 1992





2nd Directive on the Mutual Recognition of Vocational Qualifications

The Council of Ministers has formally adopted the Second Directive on the mutual recognition of professional qualifications. The Directive complements the 1989 Directive on mutual recognition of diplomas and extends the system to cover all professional qualifications. Its adoption marks the conclusion of an important element in the Single Market programme and opens up the prospect of far greater occupational mobility between Member States.

The basic approach of both the first Directive (89/48/EEC) and the new Second Directive (92/51/EEC) is the same. A host Member State is not allowed, on the grounds of inadequate qualifications, to refuse to authorise a national of another Member State to take up or pursue a profession on the same conditions that apply to its own nationals, in cases where the applicant holds the necessary qualifications to pursue the same profession in another Member State. Thus where an applicant is qualified to follow a particular profession in one Member State, that qualifications becomes valid in all other Member States.

In both Directives there are two major exceptions to the above general provisions. Where the length of training required to achieve the qualification in question in the originating Member State is at least one year less than the length of training required to achieve a similar qualification in the host Member State, the host Member State may require the applicant to provide evidence of professional experience.

Equally, where matters covered in the education and training for a profession in the originating Member State differ substantially from those covered in the host Member State, or where the profession in the host Member State covers more than one regulated professional activity in the originating Member State, the applicant may be required to complete an adaption period or to undertake an aptitude test. The choice between

an adaption period and an aptitude test is normally left to the applicant.

The 1989 Directive covered the mutual recognition of diplomas which had resulted from vocational training courses of at least three years duration within a Higher Education establishment. The new Directive extends the system to all other diplomas and certificates. Rules exist within the Directive which apply to cases where a particular profession or occupation is governed by a different level of qualification in the host Member State from that in the originating Member State. Whilst as a general principle an applicant cannot be denied access to a profession or occupation if he or she is qualified in another Member State, additional professional experience can be required in certain circumstances.

The 1989 Directive came into force throughout the Community on the 1st January 1991. Member States are required to introduce their own laws and procedures to comply with the conditions set out in the new Second Directive by the 18th June 1994.

Together, the two Directives remove the final barriers to the free movement of workers within the Single Market. They constitute the realisation of an objective first contained in the 1958 Treaty of Rome and the removal of a major barrier to free movement identified by the 1985 Single Market White Paper.

BACKGROUND BRIEFING Vocational Qualifications

Over the years the European Community has adopted a number of approaches to the harmonisation of vocational qualifications between Member States. Four distinct, but related, approaches can be identified:-

- During the 1960s and 1970s the Community adopted a number of Directives dealing with work experience. Each Directive dealt with a specific occupational group and ensured that work experience obtained in one Member State would be recognised in an other Member State.
- During the 1970s and 1980s more complex measures were introduced to harmonise the professional qualifications of a number of specific professional activities, particularly in the field of health and medicine. These Directives identified harmonised criteria for vocational training and provided for the mutual recognition of qualifications resulting from courses which met such criteria.
- 3. The two mutual recognition Directives represent the third approach. Rather than dealing in detail with the content of specific training courses they introduce a general system of mutual recognition.
- 4. A fourth approach is represented by the work being carried out by the European Commission and the European Centre for the Development of Vocational Training (CEDEFOP) following a 1985 Council Decision on the comparability of vocational qualifications. Detailed comparative tables are being drawn up covering the main skilled occupations which illustrate comparative vocational training courses and qualifications in each of the twelve Member States. Sectors already covered include hotels and catering; motor vehicle repairs; construction; agriculture; the textile industry and metalworking.

Vocational Qualifications Source Documents

The full text of the various Directives and Communications relating to vocational qualifications can be found in the following issues of the Official Journal of the European Community (C series or L series).

Council Directive (89/48/EEC) on a general system for the recognition of higher education diplomas awarded on completion of professional education and training of at least three years' duration - *OJ L19 of 24 January 1989*.

Council Directive (92/51/EEC) on a second general system for the recognition of professional education and training to supplement Directive 89/48/EEC - OJ L209 of 24 July 1992.

The full text of the various sectoral reports on the comparability of vocational training and qualifications can be found in the following issues of the Official Journal:-

Sector	Reference
Hotel and catering	C166, 3/7/89
Motor vehicle repairs	C168, 3/7/89
Construction	C292, 20/11/89
Electrical/Electronics	C321, 22/12/89
Agriculture	C83, 2/4/90
Textiles - clothing	C253, 8/19/90
Textile industry	C318, 7/12/91
Metalworking	C196, 25/7/91
Clerical, administrative,	
banking & insurance	C108, 28/4/92
Commercial sector	C42, 17/2/92

Similar reports on the chemical industry, transportation, the food industry, tourism, public works and civil engineering, printing and media, the leather industry, iron and steel, and woodworking are awaiting completion and subsequent publication in the Official Journal.

Social Charter NEWS

Despite some serious setbacks, progress is still been made in translating the initiatives introduced within the Commission Social Charter Action Programme into legislative form. Over recent months a number of Regulations, Directives and Recommendations have been formally adopted by the Council of Ministers. Brief details are as follows:

Council Directive 92/57/EEC of 24 June 1992 on the implementation of minimum safety and health requirements at temporary or mobile construction sites (Eighth individual Directive within the meaning of Article 16 (1) of Directive 89/391/EEC.

Published in the Official Journal L245 of the 26th August 1992

The eighth individual Directive falls within the scope of the 1989 Framework Directive on health and safety at work. It applies to any construction site at which building or civil engineering works are carried out. The Directive places a variety of legal responsibilities on the "client" (the person for whom the work is been carried out) and the "project supervisor (the person responsible for the design and execution of the project). These include:

- the appointment of one or more health and safety co-ordinators for the site;
- the formulation of a safety and health plan for the site prior to the establishment of a site;
- in certain cases provide the competent authorities with certain information about the site.

The Directive goes on to set out the duties and obligations of the client, the project supervisor, the health and safety co-ordinators, employers and employees at the various stages of work on construction sites. Annex IV to the Directive sets out a very comprehensive set of minimum health and safety requirements for construction sites. Articles 11 and 12 of the Directive cover the provision of information for workers and consultation and participation of workers. As one of the individual directives of the 1989 Framework Directive the provisions of the Framework Directive on information and participation apply. In particular, consultation with, and participation of, workers and their representatives shall take place on matters such as the implementation of the health and safety plan, work hazards and work procedures, the location of workstations, technical maintenance and pre-commissioning checks, the conditions under which dangerous materials are used and removed, and the storage and disposal of waste.

Date of entry into force: Member States to implement the Directive by 31 December 1993.

Council Directive 92/58/EEC of 24th June 1992 on the minimum requirements for the provision of safety and/ or health signs at work (ninth individual Directive within the meaning of Article 16 (1) of Directive 89/391/ EEC)

Published in the Official Journal L245 of 26th August 1992.

The latest individual Directive within the context of the 1989 Health and Safety Framework Directive attempts to harmonise the minimum requirements for health and safety signs in the workplace. It places an obligation on employers to provide appropriate health and safety signs and establishes minimum requirements for such signs. These minimum conditions, which relate to the design of both signs and signboards, must be incorporated into new workplace signs by the implementation date, and existing signs must be revised within eighteen months of the implementation date. The various Annexes to the Directive not only deal with the design of health and safety warning signs, but also with signs on containers and pipes, signs relating to the location of fire-fighting equipment, signs used for obstacles and dangerous locations, illuminated signs, acoustic signs, hand signals and verbal communications.

The Directive requires employers to provide suitable instruction for workers, in particular in the form of specific directions concerning the meaning of safety and health signs used in the workplace. Once the new Directive is implemented, the existing EC Directive on safety and health signs (Directive 77/567/EEC) will be repealed.

Date of entry into force: Member States must implement the Directive by 24 June 1994 at the latest.

Council Regulation (EEC) No 2434 of 27 July 1992 amending part II of Regulation (EEC) No 1612/68 on freedom of movement of workers within the Community.

Published in the Official Journal L245 of the 26th August 1992

The Regulation seeks to strengthen the existing European Community wide system for exchanging information on employment applications and vacancies. The revised Regulation requires the specialist service of each Member State to regularly send the specialist services of the other Member States and the European Coordination Office:

- (a) details of vacancies which could be filled by nationals of other Member States;
- (b) details of vacancies addressed to non-Member States;
- (c) details of applications for employment by those who have formally expressed a wish to work in another Member State;
- (d) information. by region and by branch of activity, on applicants who have declared themselves willing to accept employment in another country.

The specialist services of each Member State are required to forward this information to the appropriate employment services and agencies as soon as possible. Where the details of a vacancy are notified to another Member State, that Member State shall forward details of suitable applicants to the Member State where the vacancy exists.

Date of entry into force: 27 August 1992.

Council Directive 92/56/EEC of 24 June 1992 amending Directive 75/129/EEC on the approximation of the laws of the Member States relating to collective redundancies.

Published in the Official Journal L245 of the 26th August 1992

This new Directive amends the existing 1975 Directive on collective redundancies in a number of ways:-

- (1) In order to calculate the number of redundancies provided for in the definition of "collective redundancy", contracts terminated for reasons other than redundancy but related to the individual workers should be included in the calculation, provided there are at least five redundancies.
- (2) During consultation over redundancies, Member States may provide that workers' representatives may call upon the services of experts in accordance with national legislation or practice.
- (3) The scope of such consultations is widened to include proposed social measures geared to assisting the rehabilitation, redeployment and social and vocational reintegration of the workers to be made redundant.
- (4) The 1975 Directive is amended to ensure that its provisions still apply where the decision to institute collective redundancies emanates not from the immediate employer but from an undertaking controlling the employer.

Date of entry into force: Member States to implement by June 1994.

Council Recommendation of 27 July 1992 concerning the promotion of the participation by employed persons in profits and enterprise results (including equity participation).

Published in the Official Journal L245 of the 26th August 1992

The Recommendation invites Member States to acknowledge the potential benefits of a wider use of a broad variety of schemes to increase the participation of employed persons in profits and enterprise results. It recommends that Member States should:-

- (1) Ensure that legal structures are adequate to allow the introduction of financial participation schemes.
- (2) Consider the possibility of according incentives such as fiscal advantages to encourage the introduction of certain schemes.
- (3) Encourage the use of such schemes by facilitating the supply of adequate information to relevant parties.
- (4) Take account of experience gained in other Member States.
- (5) Ensure that the parties have a wide range of options or arrangements available.
- (6) Ensure that the choice of scheme can be made at a level which, taking into account national collective bargaining legislation and practice, is as close as possible to the employed person and enterprise.
- (7) Encourages consideration of the points set out in the annex to the Recommendation when new schemes are being prepared and existing schemes revised. These points establish a number of basic requirements for financial participation schemes.

Date of entry into force: As a Recommendation it is immediately applicable.

Employment in EUROPE

Employment in Europe 1992:

European Commission Fourth Annual Report on Employment

The fourth Annual Report on Employment in Europe was published by the European Commission at the end of July. It has three major sections: the first dealing with employment prospects, the second with employment issues and the third with employment policies. Within these latter two sections individual chapters deal with employment in services, employment developments in Central and Eastern Europe, man and women in the Community labour market, national unemployment compensation schemes, and action to combat long-term unemployment.

Employment in the European Community increased by over 9 million in the period 1985 to 1990. However, unemployment fell by much less over this period and it is now rising again. It threatens to become a central problem for the Community in the 1990s. Since the middle of 1990, unemployment has been on the increase. It currently stands at around 9.5% and on present economic forecasts, will continue rising in the short term and will stabilise at just under 10% in 1993. By then, half the countries in the Community are projected to have higher unemployment rates than they had during the peak years of the mid 1980s.

Trends in Employment and Unemployment

The rate of job creation in the Community has slowed dramatically since the middle of 1990 as the rate of economic growth has fallen. During 199, the numbers in employment remained stable, in contrast to the 1.5% annual growth rate achieved between 1986 and 1990. As employment as fallen, so unemployment has increased, although at a slower rate. Despite the continued growth in the size of the working age population, and despite the long-term upward trend in labour force participation, unemployment rose by less in the second half of 1991 than employment declined. The reasons for this paradox lie in people,

especially women, effectively leaving the labour force as job opportunities decline. A high proportion of such workers are likely to re-enter the labour market when employment growth resumes, leading to a reversed paradox: unemployment declining at a slower rate than employment expands.

The Nature of Unemployment

The scale of the unemployment problem differs significantly between different parts of the Community. In May 1992, the rate varied from 17-18% in Spain and Ireland to under 5% in Portugal and the Western part of Germany and 2% in Luxembourg. Except in the UK, the rate of unemployment of women remains significantly higher than the rate for men, and the difference between the two rates tended to widen between 1984 and 1989. Young people under 25 continue to be more effected by unemployment than older age groups. In April 1992, 18% of people under 25 were unemployed in the Community, with rates as high as 30% in Spain and Italy.

In 1990, even after five years of high employment growth, almost half the unemployed in the Community had been out of work for at least a year and around a third for at least two years. The proportions were even higher in many of the less developed regions in the South of Europe. Overall in the Community, a substantial proportion of the long-term unemployed - 35% in 1990 - have never had a job. This phenomenon is particularly marked in the Southern Member States - in Italy, for example, 78% of those unemployed for a year or more in 1990 had never previously been employed.

Trends in the Community Labour Force

The problem of an ageing and declining workforce are well known and they have already been

discussed within the Community. However, the Report emphasises that such demographic changes cannot be considered in isolation. Of greater importance are changes in the rates of participation in the labour force of those in the working age bracket. Across Member States. there is very little relationship between growth of working age population and growth of the labour force. Indeed, far from ageing over the last thirty years, as commonly supposed, the Community's work force seems to have become younger. Between 1960 and 1990, the proportion aged 50 and over has declined from 27% to 21%. Whilst the average participation rate of men in the work force is similar to that in other developed countries, the average rate for women is substantially lower. In 1990, only 42% of women aged 15 and over in the Community were recorded as being active members of the labour force as compared with 50% in Japan and around 55% in other Western European countries and the USA. The activity rates of women also differ significantly between Member States. In the South (Spain, Greece and Italy) rates averaged only about 35% in 1990 and in Ireland they were just over 30%. In Denmark, by comparison, the rate was over 60%.

The ageing of the Community's population which is projected to occur over the next 20 years is likely to be particularly pronounced in the Northern Member States. In the South of the Community, on the other hand, the numbers in the 25-49 year age range are set to increase, although even here there will be a relative decline in the number of young people coming of working age.

Employment Growth in Services

The number of people employed in the service sector in the Community increased by 12 million during the 1980s, offsetting the decline of jobs in agriculture and industry, but not by enough to prevent unemployment from increasing. The proportion of the Community workforce employed in services, at just over 60%, is similar to that in other parts of Western Europe, greater than that in Japan, but significantly less than that in the United States where the figure is over 70%. Once again there are significant variations within the Community, with the Northern Member States showing the highest proportion of employment in the service sector.

The importance of part-time working in the service sector means that comparisons of numbers employed can give a misleading indication of the volume of employment in the sector in terms of hours worked. Nevertheless, the importance of services in the Community has increased markedly and almost continuously over the past twenty years. There have been differences in the rate of growth between different sub-sectors of services, with finance and insurance services being one of the fastest growing areas over recent years.

Employment in Central and Eastern Europe

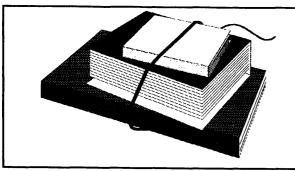
The economic and employment situation in the countries of Central and Eastern Europe is likely to have important consequences for the Community. Whilst political and economic reform in these countries is proceeding rapidly, it is being accompanied by a substantial fall in output, considerable loss of jobs and rapidly rising unemployment. Chapter 5 of the Report examines these trends in detail and looks at the likely impact of them on employment in Community Member States.

Chapter 6 of the Report focuses on the separate roles of men and women in the labour market and the problems related to the concentration of women's employment in particular sectors.

The final two chapters provide an analysis of two distinct areas of employment policy within the Member States. Chapter 7 looks takes a comparative look at unemployment compensation schemes, whilst the final chapter reviews a number of actions taken to combat long-term unemployment.

"Employment in Europe: 1992" is available from the Office for Official Publications of the European Community, L-2985 Luxembourg, price ECU 11.25.





New Publications

SOCIAL EUROPE The 1991 Social Year

Issue 2/92 of the European Commission's "Social Europe" provides an overview of social affairs within the European Community during 1991. It follows the broad approach adopted by "Social Europe" over recent years in that it is divided into three main sections.

The first section provides an opportunity for some of the leading figures in the field of Community social affairs to comment on developments during the year. Jean Degimbe, the Commission's Director-General for Employment, Industrial Relations and Social Affairs, examines the developing relationship between the Single Market Programme and its social dimension. The backbone of this relationship is the Social Dimension Action Programme which was adopted by the European Commission in November 1989 and Jean Degimbe reviews the progress achieved in implementing the programme.

A short interview with Vasso Papandreou, the Commissioner in charge of social affairs, highlights some of the problems which have arisen in attempting to implement the Action Programme. It also provides her with an opportunity to examine the likely effects of the Maastricht Treaty on Community social policy.

The first section also contains interviews with the secretary-generals of the three main social dialogue participants - the ETUC, UNICE and CEEP. Each of them comments on their perception of the progress of the dialogue at Community level and its achievements to date. It also provides them with an opportunity to look towards the future development of the social dialogue following the Maastricht Treaty.

The second section provides a summary of the main proposals and achievements in the field of social policy during 1991. Each short chapter provides an effective summary of a specific policy area and a note of the current situation (at the 31 March 1992). Subjects dealt with include:

- free movement of labour;
- fair pay
- the organisation of working time;
- employment contracts;
- collective redundancies;
- the co-ordination of social security systems;
- combating social exclusion;
- European works councils;
- participation in profits and enterprise results;
- child care:
- sexual harassment at work.

In addition the latest developments in the field of health and safety at work are fully reviewed.

The final section provides the full text of all the main proposals for directives, decisions and recommendations which were either proposed or adopted during the year. Effectively this means that the Report forms an essential source book on the entire field of Community social policy.

Social Europe is published by the Commission of the European Communities, Directorate-General for Employment, Industrial Relations and Social Affairs, The basic review appears three times a year. In addition, a number of supplements are published annually, each dealing in depth with a given subject. The annual subscription rate for Social Europe is ECU 50. The subscription rate for Social Europe plus the Supplements is ECU 100. Individual copies of Social Europe can be obtained, price ECU 19, from the Office of Official Publications of the European Community, L-2985, Luxembourg.

The Association Agreements Between the EC and Poland, Hungary and Czechoslovakia - A Trade Union View.

The latest in the Info series of pamphlets produced by the European Trade Union Institute (ETUI) provides a trade union analysis of the agreements concluded earlier this year between the Community and three of the countries of Central and Eastern Europe. The pamphlet highlights those areas of the agreements which are likely to be of most interest to trade unionists (movement of workers, education and training and cooperation in the field of environmental protection) and provides a useful statistical annex of economic and social statistics from the three countries concerned.

Info 34 - The Association Agreements between the European Community and Poland, Hungary and Czechoslovakia - A Trade Union View (February 1992) 300BF from the ETUI (concessionary rates available to students and trade union members).

Increasing Industrial Competitiveness

The industrial policy of the European Community is the subject of the latest pamphlet in the "Europe on the Move" series. Within the space of eight pages the pamphlet effectively summarises the three main strands of EC industrial policy:

- Creating the right business environment. The completion of the single market is an essential component of such an environment: one in which harmonised standards enable firms to manufacture goods for the entire European market.
- Encouraging partnership. The Community is actively encouraging partnerships between companies in different Member States.
- Co-operation in research and technological development and the support of R&TD by the various EC funding programmes.

Europe on the Move - "Increasing Industrial Competitiveness" is available free of charge from the European Commission.

CONTACT ADDRESSES

Publications can be obtained from the following addresses:-

European Foundation for the Improvement of Living and Working Conditions.

Loughlinstown House, Shankill, Co. Dublin, Ireland. Tel: Dublin 282 6888 Fax: 282 6456

MISEP Secretariat

Institute for Policy Research, P.O. Box 985 2300 AZ LEIDEN The Netherlands.

Tel: (31) 71/ 25 37 37 Fax: (31) 71 / 25 37 02

JANUS

Instituto Nacional de Seguridad e Higiene en el Trabajo Centro Nacional de Condiciones de Trabajo C/. Dulcet, 2-10 E-08034 Barcelona, Spain

Tel: (34) 3 280 0102 Fax: (34) 3 280 3642

CEDEFOP

European Centre for the Development of Vocational Training

Jean Monnet House, Bundesallee 22 D-1000 Berlin 15, Germany

Tel: (030) 88 41 20 Fax: (030) 88 41 22 22

European Trade Union Institute (ETUI) Boulevard de l'Imperatrice 66 (Bte 4) 1000 Brussels, Belgium.

Tel: (32) 2 512 3070 Fax: (32) 2 514 1731

European Trade Union Confederation (ETUC) Rue Montagne aux Herbes Potageres, 37 1000 Brussels, Belgium.

Tel: (32) 2 218 3100 Fax: (32) 2 218 3566

European Commission Publications can be obtained from the Commission National Information Offices (for addresses see the back page of this Bulletin) or from:-

Office for Official Publications of the European Communities, L-2985 Luxembourg.

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Editor: Alan Burnett. Sheffield UK.

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EUROPEAN COMMUNITIES

INFORMATION

Commission of the European Communities

200 Rue de la Loi - 1049 Brussels

Commission Offices

BELGIQUE — BELGIË

Bruxelles/Brussel

Rue Archimède/Archimedesstraat, 73 1040 Bruxelles/Brussel Tél.: 235.11.11 Télex 26657 COMINF B

DANMARK

København

Højbrohus Østergade 61 Posbox 144 1004 København K Tél.: 14.41.40 Télex 16402 COMEUR DK

BR DEUTSCHLAND

Zitelmannstraße 22 5300 Bonn Tel.: 53.00.90

Kurfürstendamm 102 1000 Berlin 31 Tel.: 892.40.28

Erhardtstraße 27 8000 München Tel.: 23.99.29.00 Telex 5218135

ΕΛΛΑΣ

Οδός Βασιλίσσης Σοφίας Και Ηρώδου Αττικού Αθήνα 134 τηλ.: 724 3982/724 3983/724 3984

FRANCE

288, Bld St Germain 75007 Paris Tél.: 40.63.40.99

C.M.C.I./Bureau 320 2, rue Henri Barbusse F-13241 Marseille Cedex 01 Tél. 91.91.46.00 Télex 402538 EUR MA

IRELAND

39 Molesworth Street Dublin 2 Tel.: 71.22.44

ITALIA

Via Poli, 29 00187 Roma Tel.: 678.97.22

Corso Magenta 59 20123 Milano Tel.: 80.15.05/6/7/8 Telex 316002 EURMIL I

GRAND-DUCHÉ DE LUXEMBOURG

Bâtiment Jean Monnet Rue Alcide de Gasperi 2920 Luxembourg Tél.: 43011

NEDERLAND

Korte Vijverberg 5 2513 AB Den Haag Tel.: 46.93.26

UNITED KINGDOM

Abby Building 8, Storey's Gate Westminster LONDON — SWIP 3AT Tél.: 222.81.22

Windsor House 9/15 Bedford Street Belfast BT 2 7EG Tel.: 40708

4 Cathedral Road Cardiff CF1 9SG Tel.: 37.16.31

9 Alva Street Edinburgh EH2 4PH Tel.: 225.20.58

ESPANA

Calle de Serrano 41 5A Planta-Madrid 1 Tel.: 435.17.00

PORTUGAL

Centro Europeu Jean Monnet Rua do Salitre, 56-10° 1200 Lisboa - Tel.: 54.11.44

TÜRKIYE

15, Kuleli Sokak Gazi Osman Paça Ankara Tel.: 27.61.45/27.61.46

SCHWEIZ - SUISSE - SVIZZERA

Case postale 195 37-39, rue de Vermont 1211 Genève 20 Tél.: 34.97.50

AUSTRALIA

Capitol Centre Franklin Street P.O. Box 609 Manuka ACT 2603 Canberra ACT Tel.: 95.50.50

UNITED STATES

2100 M Street, NW Suite 707 Washington, DC 20037 Tel.: 862,95.00

3 Dag Hammarskjöld Plaza 245 East 47th Street New York, NY 10017 Tel.: 371.38.04

CANADA

Inn of the Provinces Office Tower Suite 1110 Sparks Street 350 Ottawa, Ont. KIR 7S8 Tel.: 238.64.64

AMERICA LATINA

Tel.: 228.24.84

Avda Américo Vespucio, 1835 Santiago de Chile 9 Chile Adresse postale: Casilla 10093

Av. Orinoco Las Mercedes Caracas 1060 - Venezuela Apartado 67076 Las Américas 1061 - A Caracas - Venezuela Tel.: 91.51.33 - Telefax: 91.11.14

Paseo de la Reforma 1675 - Lomas de Chapultepec C.P. 11000 Mexico D.F.

NIPPON

Kowa 25 Building 8-7 Sanbancho Chiyoda-Ku Tokyo 102 Tel.: 239.04.41

ASIA

Thai Military Bank Building 34 Phya Thai Road Bangkok Thailand Tel.: 282.14.52

TAJ MAHAL HOTEL Suite No. 222/1 Mansingh Road Chanakyapuri New Delhi 110011 India Tel. 38.66.62