

Commission of the European Communities DG V
Working document on employment policies

N° 2 June 1983

On the basis of a decision of the directors general for employment, the Commission of the European Communities has created a Mutual Information System on Employment Policies (MISEP).

inforMISEP is the quarterly outcome of this system. It presents the changing policies and actions, particularly those sponsored by national ministries and agencies, aimed at promoting and improving employment within the European Community. It is compiled on the basis of information provided by national correspondents (listed on the back page). The present issue covers the following areas :

Overall measures

- Belgium : Employment Fund
- Germany : Government declaration
- Greece : Wage indexation
- Italy : National agreement

Aid to the unemployed

- Belgium : Unemployment regulations
- Ireland : Regulation changes
- United Kingdom : Voluntary work

Training

- Germany : Training places
- Greece : Apprenticeship
- Ireland : Agricultural training
- Netherlands : Training funds

Job creation

- Greece : Local initiatives
- Netherlands : Expanding WVM
- United Kingdom : Extending EAS

Special categories of workers

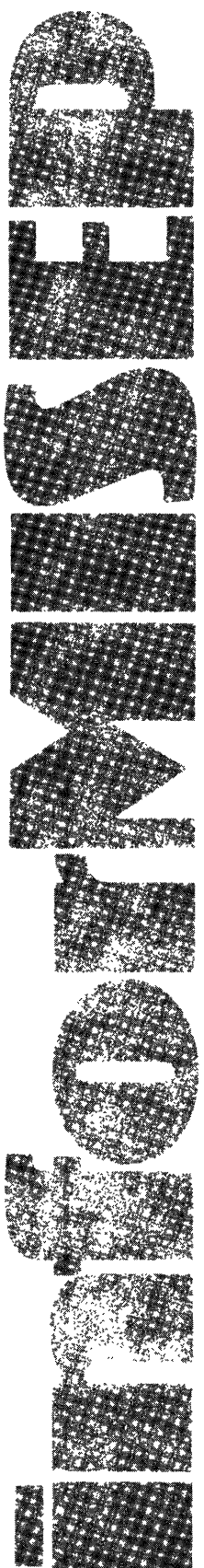
- France : Long-term unemployed
- Greece : Hotel seasonal workers ; Young people
- Netherlands : Temporary workers
- United Kingdom : Long-term unemployed ; PER
- European Community : Steel workers ; Young people

Working time

- Belgium : 5% reduction
- Denmark : Early retirement
- Germany : Quantitative impacts
- Luxembourg : Early retirement
- Netherlands : Age 57 1/2 ; Collective bargains
- United Kingdom : Job release scheme

Other measures

- Ireland : Child care facilities
- Luxembourg : Old-age pensioners' work
- Netherlands : Work Environment Law



C E E : V / 96

Developments at a glance

Belgium	Enterprises or industries should reach agreements with trade-unions to reduce working time by 5% and raise employment by 3%, failing which they should contribute to an employment fund (p. 4). Changes have been made to encourage the unemployed to launch out on their own or to leave, temporarily or permanently, the labour force without foregoing unemployment rights (p. 5). Finance is being provided for organisations experimenting with new approaches to work organisation for the purposes of profitable maintenance or development of output (p. 12).
Denmark	The voluntary early retirement pay scheme has been introduced as a once-and-for-all supplement to the existing unemployment insurance system (p. 12).
France	The programme launched in September 1982 specifically for the long-term unemployed ended in March 1983 (p. 9). During this period, ANPE (the National Employment Agency) received 316.318 long-term job-seekers, i.e. 67.9% of the potential beneficiaries of the programme. Of these, 34.700 were guided towards appraisal and vocational guidance services or given help in looking for jobs, 8.750 to long training programmes (FPA) and 6890 were found jobs. At the end of the programme 44% of the long-term job-seekers as at August 1, 1982 had left the employment office's register.
Germany	The new government set out its employment policy in May (p. 4). The Federal Employment Institute monitors closely training places, supply of which — though still behind demand — is rising. IAB studies progressively elucidate various impacts of training (p. 7). The Federal Employment Institute expects the DM 7.000 million it will be spending in 1983 will reduce the unemployment figures by 363000 (p. 12) by maintaining 179000 persons on short-time working, having 109.000 undertake training and creating 75.000 jobs ('ABM').
Greece	As announced in inforMISEP N° 0, a new law has been voted by Parliament (N° 1346 of April 14, 1983) providing measures on apprenticeships, vocational guidance, total annual working time, young people, the handicapped and automatic wage indexation. State investments are also providing special protection to the regional development of the country and further special measures for job creation are being applied by local initiatives. (p. 4, 7, 8 and 9)
Ireland	In April the government took a series of measures designed to help restore the balance between a person's disposable earnings when at work and the amount of benefit payable when unemployed, fully or in part (p. 6). A major education and training programme has been launched by the Council for Development in Agriculture with funding from the Youth Employment Agency for young entrants to farming (p. 7). A working party on child care facilities for working parents presented its report to the Minister for Labour in March (p. 14).
Italy	The national agreement on restraining labour costs and enhancing employment of January was incorporated into law (law n° 79 of March 29, 1983). The following matters are covered: 'Scala mobile', contracts and wages increases, working hours, absenteeism, normal and compulsory placement, family allowance, wage compensation fund and inter-company mobility, labour market government and management, IRPEF, rates, health, fiscalisation and a solidarity fund (p. 5).
Luxembourg	In December 1982, the Grand Ducal government extended the existing early retirement system to enable steel industry workers to benefit from a "waiting allowance" (p. 13). The law of December 24, 1982 somewhat loosens the system for authorising old-age pensioners to undertake some work in the light of experience gained (p. 14).
The Netherlands	The Minister is striving to increase the numbers of young people undergoing vocational training through strengthening training funds for separate industries (p. 8). The funds for the WVM scheme's providing work opportunities for the long-term unemployed — young and old — have been carefully examined and policy proposals submitted (p. 8). Recurring topics on working time are, first, the question of no longer registering after the age of 57 1/2 years and, second, clauses in collective agreements (p. 13). The new Work Environment Act will come progressively into force between 1983 and 1988 (p. 15). A study of temporary work is summarized (p. 9)
United Kingdom	The Voluntary Projects Programme was launched in August 1982 to provide unemployed people with a constructive activity (p. 6). The experimental Enterprise Allowance Scheme, which helps unemployed people set up their own business, is being extended nationally with places for a further 25.000 people (p.8). The Community Programme provides temporary job opportunities for the long-term unemployed (p. 10), whereas the Professional and Executive Recruitment has been made into a self-financing body (p. 10). The Job Release Scheme encourages older workers to leave their employment in favour of unemployed persons (p. 13).
European Community	The Commission approved in April a communication to the Council and to the European Parliament entitled "The Promotion of Employment for Young People" (p. 10). It also approved the general objectives for steel in 1985 and the 'social volet' for the 1983-86 period (p. 11).

Overall measures to enhance employment

BELGIUM : Creation of a fund for using wage restraint for raising employment (Royal decree N° 181)

Contrary to what might be expected from reading the title of this decree, enterprises are not required to pay the outcome of the wage restraint imposed on the work force in 1983 and 1984 to a fund which would then decide, within a vast employment programme, how the money should be used. **The purpose would rather be fully accomplished if not a single franc were to be paid into the Employment Fund. The conclusion of agreements by industry or company has been recommended with the aim of earmarking the benefits of wage restraint to create jobs.** The standard agreement proposed foresees a 5% reduction in working time accompanied by a 3% compensatory hiring. Nevertheless, an agreement on an alternative formula remained possible. **Enterprises or industries** which reached and carried out such an agreement would not have to pay anything to the employment fund.

On the other hand, those **enterprises and industries in which such an agreement has not been reached** will be required to pay the full amount of the wage restraint into the employment fund.

This wage restraint placed on the work force in 1983 and 1984 is the result of royal decree N° 180 which consists of **two parts** :

- a flat rate indexation based on the minimum income will continue to be applied until mid-1983 and subsequently, until the end of 1984, an integral, but delayed, system of indexation will be installed.
- benefits falling outside indexation will be submitted to a quasi-freeze by the prolongation, purely and simply, of the general collective agreement of February 13, 1981.

This wage restraint thus varies from one industry to another according to the form of indexation and from one enterprise to another according to the average wage paid. Industries or enterprises in which an agreement on the use to be made of wage restraint will have been concluded, will be monitored to check whether the agreement has been respected, mainly as regards employment creation. **If the agreement has not been respected**, the enterprise or industry will be required to pay to the Fund a part of the wage restraint which is **proportional** to the degree of the non-realisation of the aim fixed by the agreement.

There will, however, be a **series of exceptions to the general approach** outlined above :

- a system especially for public enterprises
- a system especially applicable for small and medium sized enterprises («PME AR N° 185» - Royal decree 185 for such enterprises)
- dispensation from applying the general system for enterprises experiencing problems, enterprises having a high rate of short-time working, enterprises examining collective lay-offs and enterprises experiencing exceptionally unfavourable economic circumstances.

GERMANY : Government declaration

The new German CDU-CSU-FDP coalition Government's declaration on May 4 on its «Programme for Renewal: Freedom, Humanity and Responsibility», sets out the four focal points which will determine the programme of the federal government for overcoming the economic crisis :

- reducing unemployment
- recovering adequate growth
- continuing to put public finance back on a sound footing, and
- securing pensions.

Under the first point, **reducing unemployment**, the following aspects are brought out :

It is the intention of the government not to stoke up any short-term blazes but rather to achieve a lasting stimulation of the economy. The economic policy must and will be predictable. Investments will be strengthened and the requisite structural change made easier by :

- ensuring stable currency
- reducing public capital requirements
- fostering the acquisition of equity capital, and
- facilitating employees' share participation.

Economic sense and social responsibility indicate the road towards success : to foster the willingness and the ability to invest. Only through increased investments, through a growing economy, will there be an increased supply of jobs.

Saving has always been a German virtue and the majority of those who save are employees. To give employees a share in the productive capacity, the federal government will, in the very near future, introduce the requisite bills.

The federal government approves of a more flexible structure of working life. However, reducing life time working hours must not lead to an additional overall burden on the economy and public finances.

Additional part-time jobs facilitate the vocational integration of the growing number of employees. Furthermore, it is possible through part-time jobs to comply better with a great number of employees' wishes as to working hours. The federal government appeals to all employers to create a greater number of qualified part-time jobs.

When revising the rates of exchange in the European Monetary System at the end of April, the Germans have proved to be fair partners.

It is only in the spirit of mutual responsibility for a free world economy that the smouldering international financial crisis can be overcome. Cooperation between creditor and debtor countries, between issuing banks, the World Bank and the International Money Fund as well as the commercial banks is indispensable in order to avoid an uncontrollable worsening of the situation.

GREECE : Automatic Wage Indexation

By art.6 of the law N° 1346 of April 14, 1983 automatic wage indexation is introduced. This means that such a clause is legal when it is contractually agreed in collective agreements.

The application of wage indexation has, however, been postponed for this year by the Government for reasons of general economic policy (L. 1320/82). Instead an increase of salaries will be given as follows :

- 1.1.83 : 50% of the Automatic Wage Indexation (ATA) corresponding to the last quarter of 1982
- 1.5.83 : the other 50% of the above sum
- 1.9.83 : the ATA corresponding to the period from 1.1.83 to 31.8.83.

ITALY: National agreement on labour costs and employment

On January 22nd, 1983 a draft agreement was signed by the Government and the social partners to control labour costs and to enhance employment.

It is intended to achieve these objectives through a wide and well-structured approach focusing on : modifications of the 'scala mobile' (sliding scale), contracts and increases in salaries, working time, fiscalisation of social security contributions, placement, social security institutions, health, revision of tax rates and charges for public services.

1. 'Scala mobile'

The mechanism of the cost of living index was modified with a ceiling of increment of 13%, identical to that programmed for the rate of inflation in 1983.

2. Contracts and wage increases

Expiring contracts in the industrial sector have to have a duration of at least 3 and a half months. The company's bargaining remains likewise blocked for 20 months. Wage increases cannot exceed Lit. 25.000 per month in 1983, Lit. 35.000 per month in 1984 and Lit. 40.000 per month in 1985.

3. Working hours

In order to create working time systems which better meet the requirements of productivity, the parties to employee contract renewals will agree upon conditions which allow a more intensive use of employees ; making up for services (recuperation) actually rendered compared to the contractual working hours and on criteria for greater flexibility of working hours to be put into practice in the company.

Furthermore, the problem of the distribution of annual holidays will be dealt with.

The contract renewals will define a reduction in working hours of 20 hours per year beginning from the second half of 1984 and of another 20 hours as from the first six months of 1985.

4. Absenteeism

Checking on workers who are absent for reasons of illness will be intensified, particularly on the first day. A system will be established whereby a person has to be available in his home at certain times.

5. Normal and compulsory placement

a) Employers are given the possibility to take on young people from 15 to 29 years of age, by name call ('chiamata nominativa'), with a time-contract which does not exceed 12 months and which is aimed at training these youths by working in a company.

b) Moreover, for one year as of January 29th, 1983 employers can submit a nominative request ('richiesta

nominativa') for a quota which is equal to half the total number of the workers for whom the numerical request ('richiesta numerica') is compulsory.

c) Regulations have been enacted with regard to the compulsory employment of invalids.

6. Family allowance

An integrative family allowance has been introduced starting from July 1st, 1983 to be paid to employees and pension holders in addition to the family allowance and to the family allowance supplement for dependent children who have not yet completed their 18th year, commensurate with the family income and the number of children in question.

7. Wage compensation fund ('CIG') and inter-company mobility

It has been agreed to revise the maximum benefit period and the calculation of the paced reduction in unemployment allowance and to revise the regulations of inter-company mobility.

8. Labour market government and management

The government has committed itself to introduce substantial modifications to the present organisation and the experimental establishment of public bodies, endowed with adequate financial means and an autonomous organisational function which labour market observers have to make use of.

9. IRPEF — Rates — Health

It has been decided to revise the rates of direct income tax, to keep the increases in rates for 1983 within 13% and to revise some regulations regarding tickets for medical and pharmaceutical services.

10. Fiscalisation

Fiscalisation of social security contributions to be paid by industrial enterprises has been agreed to the amount of Lit. 7.900.000 million at November 30th, 1983. Furthermore, additional fiscalisation of social security contributions will be granted for new activities in the Mezzogiorno.

11. Solidarity fund

The problem of creating a solidarity fund for maintaining employment will be dealt with which will receive its funds from a part of the pay rises, equal to 0,50% of the pay, taking into consideration the amount fixed in the collective contracts.

On account of the Italian legislation and the industrial relations, some points of the agreement have remained (Law by decree N° 17 of January 29, 1983 converted into law N° 79 of March 29, 1983) and will be incorporated into legal regulations, while others will be assimilated in agreements to be drawn up between the social partners.

Aid to the unemployed

BELGIUM : Modifications in the unemployment ruling

Several important modifications have been recently made in the regulations concerning unemployment :

A. A first set of measures aims at **enhancing access to a profession** and more generally freedom of initiative :

1. Every unemployed person receiving, or able to receive an

unemployment allowance who interrupts his period of unemployment, or any worker who voluntarily renounces his full-time work to set up business on his own, retains his right to re-enrolling as job-seeker and to unemployment allowances during the six years from the beginning of his activity as a self-employed person.

2. When an unemployed person wishes to be trained as a

business manager in an institute recognised by the Middle Classes Ministry, he receives a dispensation from signing on each week over a period of one year, provided that he has an attestation proving that he has been taking part in the training course.

3. Every unemployed person receiving an allowance who wishes to launch out on his own to become self-employed is dispensed from signing on for a maximum length of three months preceding the beginning of his activity as a self-employed person.
4. The previous state of legislation required young graduates to request their admission to the year so as to retain their right to unemployment allowances.

Henceforth, at the end of their studies young graduates will have the opportunity either, for example, of taking up a self-employed activity or, also as an example, of starting longer studies abroad without losing their rights to unemployment allowances (until 26 years of age, including the training period).

B. A second set of measures aims at making it possible for **parents with young children** to have flexible working time :

1. Any worker, whether male or female, who gives up his/her full-time work contract either completely or to work part-time, can subsequently get back his/her full rights to draw unemployment allowances if he/she puts in a request for it during the three years following the birth of the child.
2. Along the same lines, an unemployed person can, after the birth of a child, accept a part-time job and retain his/her full rights to unemployment allowances if he/she asks to be able to draw on them again within the three years following the birth.

C. To **go away and to return**, keeping unemployment rights :

1. Every person receiving or having the right to receive an unemployment allowance can voluntarily renounce drawing the allowance and nevertheless remain enrolled as a job-seeker. But he/she does not have to sign on weekly. He/she can, without any time limit, assert his/her right again to draw on unemployment allowances.
2. For personal convenience, every unemployed person receiving an allowance can suspend his/her rights and take them up again in the three years following.

D. **More immediate measures**

1. Unemployed persons who work free of charge for general interest bodies, non-profit organisations and teaching establishments (both public and confessional) can be freed from signing on.
2. Unemployed persons of 55 years of age and above are only required to sign on once a month. Under previous legislation, this facility was given to unemployed males of at least 60 years of age and to unemployed females of at least 55 years of age.

IRELAND : Changes in unemployment payment regulations

In April the government took a series of measures designed to help restore balance between a person's disposable earnings when at work and the amount of benefit payable when unemployed. These measures affect the pay-related benefit (**PRB**) scheme and the payment of benefits to people on short-time work.

PRB is payable as a **supplement to unemployment benefits**. It is calculated on persons' weekly earnings between certain limits. Until April 1983 PRB was not payable for the

first two weeks of unemployment but was payable for up to 381 days (63 1/2 weeks) thereafter. Four different rates of benefit applied as follows :

- 40% for the first 137 days
 - 30% for the next 78 days
 - 25% for the next 78 days
 - 20% for the next 78 days
- (Sundays are not included).

As a result of the changes in the law, from April 1983 the **rates of PRB were reduced** to 25% for the first 23 1/2 weeks and 20% for the remaining 39 weeks of entitlement. The waiting period for pay-related benefit was increased from two to three weeks.

The changes in the law from April 1983 also affected the benefit entitlements of persons on **short-time work** (usually a three-day week). Prior to April, such workers received three-fifths of their basic pay, three days flat-rate unemployment benefit (i.e. half of the weekly rate) and pay-related benefit. Many short-time workers also qualified for income tax refunds because of their reduced earnings. These benefits combined often resulted in a person having a higher 'take-home' income while working short-time than his normal take-home pay while working full-time.

The new measures are designed to ensure that the pay and benefit of short-time workers is generally limited to between **92% and 94% of their normal full-time take-home pay**. Since April, flat-rate unemployment benefit is payable to short-time workers on the basis of a 5-day week rather than a 6-day week. Such workers, therefore, now receive, in addition to their pay, two days flat-rate benefit comprising two-fifths of the weekly rate of benefit. In addition, entitlement to pay-related benefit for such workers was withdrawn.

UNITED KINGDOM : Voluntary work for the unemployed

As part of the Government's policy of helping people who are unemployed the Manpower Services Commission were asked to administer a scheme to make more readily available voluntary opportunities for unemployed people. The **Voluntary Projects Programme** was launched in August 1982 with funding of £3.83m to April 1983 and £8m 1983-84.

The main **purpose** of this programme is to provide unemployed people with a constructive activity which might develop their existing skills or provide some form of part-time rehabilitation or work preparation without affecting their entitlement to statutory benefits. The programme provides a means of putting unemployed people in touch with a variety of community projects, training for volunteers and sources of voluntary work which will benefit the wider community. The programme works through project sponsors. Any individual or organisation may become a sponsor and interest has been expressed by private firms, trade unions, local authorities, voluntary bodies, charities, community groups and churches.

Sponsors are responsible for their projects, including the recruitment of staff and volunteers. Funds supplied by the MSC are available to provide management resources, financial expertise and specific skills required for the operation of the project. Potential sponsors are encouraged to devise interesting and innovative projects in the community.

Projects undertaking a wide range of activities have been launched. In recognition of the increased demand for guidance and organising larger numbers of volunteers and the special needs of unemployed people several projects involve providing a resource centre and additional counselling and co-ordination of support services to unemployed volunteers. Additionally many projects include a support worker for the volunteers.

Other projects include :

- using mini-computers to store information and teach basic keyboard and computing skills
- rural conservation and awareness
- providing relief and outings for the housebound and those looking after them
- giving help to mentally and physically handicapped people
- providing drop-in centres and skills exchange opportunities for unemployed people
- promoting community health
- developing local amenities and services
- providing gardening, decorating and repairs services for the elderly and infirm

- adult literacy and self development classes
- providing services to ethnic minority groups including translation work and cultural activities
- participating in the rehabilitation of ex-offenders

The take-up of projects has been encouraging and early indications are that unemployed volunteers are willing to participate to obtain "work experience" to enhance their employment prospects. Projects which offer benefits to the community and the volunteers themselves appear to attract volunteers readily.

The Programme is due to be **reviewed** in late 1983 when decisions will be taken on its future beyond 1984.

Training

GERMANY : Training places

The Federal Institute of Employment closely follows the supply and demand for training places and apprenticeships. Not that all offers are filed at the Institute : in 1981/82 the figure was 72% compared with 78% the previous year, with the figures for registered potential trainees being 76% and 71% respectively.

Between October 1982 and the end of April 1983 some 375.000 training places were registered at labour offices by companies and public authorities, some 7% less than in the previous year. Training offers in March (+ 27%) and April (+ 43%) were considerably up on the 1982 figures, but needed to rise still further to meet demand : in April some 490.600 persons were registered as seeking training (18% up on the previous April). Companies are being urged to provide information on places which remain unoccupied when the chosen applicants fail to take them up, or leave. In the summer of 1983 the very large number of trainees from 1980 will be leaving, which should mean an increase in openings.

Two recent IAB (the Federal Institute's Labour Market and Vocational Research Institute) **studies** have shed further light on the workings of the training system. The one (by Stegmann and Kraft) shows that corporate vocational training is often a **preliminary step for further studies**. Thus, those who have completed their Abitur (end of school examination) tend to break off their training more often than those who have attended lower graded secondary schooling ("Haupt- and Realschule" graduates). Most of those breaking off their training start undergraduate studies. 39% of those with Abitur who complete their corporate training take up undergraduate training subsequently, whereas a further third will either study later or are undecided. Only a quarter do not intend to study further in the future (22% males and 35% females). The main lines of their training are white-collar jobs (in banks, industry and services as well as wholesaling and foreign trade) or crafts such as opticians, radio and TV mechanics, etc.

The second study (by Engelbrech and Kraft) looks **at boys' and girls' chances for jobs and training places**. Although girls prepare themselves better for career choice and have better scholastic achievements, they are twice as often rejected (23%) by companies in applications for training places as boys. Once they have started on their corporate training, 50% of the girls (compared with 42% of the boys) say they would not again choose the same training opening. Girls

are also much more sceptical than boys about their chances of getting good jobs and of using to the full the vocational training they have received

GREECE : Apprenticeship

By art. 14 of L.1346/83, the centres (or schools) of the National Manpower Organisation (OAED) are no longer part of the general educational system as laid down by law 576/77. This makes the functioning of the centres more flexible because from now on no common decision of the Ministers of Labour and Education is required for courses, lessons and the duration of studies to be defined. New programmes are now drawn up for new specialised subjects, taking into consideration notably the vacancies existing in the Employment Offices.

The National Manpower Organisation (OAED) finances employers who hire apprentices up to the 50% of the wage rate. It also finances apprentices up to 10% of their wages in order to enable them to work reduced hours.

By this law special programmes for vocational guidance are introduced for people of 15-18 years of age. The participants of these programmes are financed up to 40% of the wage rate plus their contribution for housing and food.

IRELAND : New training scheme for young entrants to agriculture

A major education and training programme for young entrants to farming has been launched by **ACOT** (Council for Development in Agriculture) with funding from the Youth Employment Agency (**YEA**).

The ultimate aim of the programme is to provide formal and comprehensive training for virtually all new entrants to farming — some 2,500 each year — within a fairly short period. This would contrast with the present situation where less than half attend courses; and those that they do attend are often too short to provide adequate preparation for a career in farming. YEA is providing IR£ 600,000 to allow the project to commence immediately and its total investment over the next three years will approach IR£ 4 million.

Courses provided under the programme will last three years and will involve a combination of formal training and supervised work experience both on the home farm and on a host

farm. During the placement period on the host farm, trainees will be paid an allowance. On successful completion of the course, trainees will be awarded a certificate in farming.

The introduction of a certificate in farming course was the main recommendation in the report of an expert group established by ACOT to examine the entire area of agricultural education and training.

NETHERLANDS : Training funds

Vocational training has tended in the past to be dependent on the rather limited opportunities provided by individual employers. As a result of swings in the business cycle, the number of apprenticeship agreements which employers have signed has dropped.

To overcome this shortfall in training facilities, the government has made a new approach, which has been submitted to the social partners in various industries for discussion. The policy document being submitted analyses the reasons for the short-fall in all the numbers of apprenticeships.

A key factor in remedying this situation is, according to the Minister, the **establishment or development of separate training funds for different industries and trades**. These funds would lay greater stress on the establishment of common training activities, rather than within individual companies. Such an approach would be fostered by the award of extra grants to firms employing apprentices as part of a training fund programme.

For the coming academic year (1983-4), DFL 135 million is being made available for this contribution scheme. On the basis of this amount and the **creation of 30,000 new apprenticeships** in that year, DFL 4,000 per apprentice will be granted to the separate training funds for the first year of training. This grant can be increased by DFL 2,000 when girls are being trained for traditionally male jobs. In cases of training activities by individual employers, the grant for each apprentice will be restricted to only DFL 2,000.

Job creation

GREECE : Local initiatives for job creation

A new programme of the state investments gives priority to investments creating employment, especially at a regional level. This helps the creation of many cooperatives as well as of businesses run by municipalities. The Hellenic Organisation of Small and Medium-Sized Industries and Handicraft - (EOMMEX) will play a major role in this effort.

NETHERLANDS : Expanding the W.V.M. job creation scheme

The Werkgelegenheidsverruimende Maatregel (W.V.M.), or job creation scheme, has been in operation since 1979. It aims at providing **work opportunities for "risk groups"** among the unemployed through additional jobs in non-commercial institutions, which will give them a better starting position on the labour market. The risk groups are the unemployed who cannot be helped through the resources of the labour offices to fill an existing vacancy. The persons targeted for WVM are **young persons** aged less than 23 years who have been unemployed for longer than nine months and **older persons** who have been enrolled as job-seekers at the labour office. Naturally, it is not possible to help all those who are enrolled who have met the minimum length of unemployment to find temporary work through WVM. The directors of the regional labour offices hence decide for whom placement is the most desirable.

The **amount of the subsidy** will henceforth be linked with the minimum (youth) wage instead of, as has been the case until now, the contractual wage. In this way Minister De Koning is striving to ensure that more unemployed people will be helped towards a temporary job.

For the current year, DFL 345 million have been made available for WVM (compared with a budget of DFL 174 million in 1980 and 1981), the greatest part of which is earmarked for young people under 23 years of age. Some **17,000 persons** are expected to make use of this scheme in 1983.

UNITED KINGDOM : Enterprise Allowance scheme extended nationally

The experimental Enterprise Allowance Scheme which helps unemployed people to set up their own businesses is to be made available throughout Great Britain.

Places for a **further 25,000 people** will be available on the Scheme, which will be open on this extended basis from August 1, 1983 until March 1984. They will be allocated throughout the country broadly in line with the numbers unemployed in each area. The Government has set aside over £ 50 million during the next two years to cover the cost of the Scheme.

The Scheme, which for the past year has been run on a pilot basis, provides a taxable allowance of £40 a week for a year for unemployed people wishing to **set up a business** but who may be deterred by the fact that they would lose their entitlement to unemployment or supplementary benefit.

The **Manpower Services Commission**, which runs the 5 pilot schemes through its Jobcenters, will administer the Scheme with help from the Department of Industry's **Small Firms Service**, whose counsellors provide advice and guidance to those entering the Scheme.

The longer-term future of the Scheme will be **reviewed** before March 1984, in the light of full evaluation of the pilot scheme and experience of this extension.

Special categories of workers

FRANCE : Results of the programme for the long-term unemployed

This specific operation was decided on at the end of June 1982 on the initiative of the Prime Minister. Geared to those who had been registered unemployed for more than one year on August 1, 1982, it was concluded on March 31, 1983.

Objectives : The programme sought to fight against the selectivity of the employment market. It was based on :

- carrying out in-depth individual interviews which included, as the case might require, actions evaluating vocational capacities aimed at appraising the competence level of the job-seeker;
- mobilising tools contributing to re-integrating the person into working life : short or longer term vocational guidance training periods; training periods on job search; fully-fledged training courses; upgrading activities; placements through solidarity contracts for which the long-term unemployed job-seekers had priority.

Quantitative results : The number of potential beneficiaries of the programme at its launch was 466.155 :

- breakdown by sex :
 - 54,4% female
 - 45,6% male
- breakdown by age :
 - 25% were less than 25 years old
 - 40% were more than 60 years old
- length of unemployment :
 - 25% between 2 and 3 years on August 1, 1982
 - 10% between 3 and 4 years
 - 7,4% for more than 4 years

Invitation and interview :

- Of the 466.155 potential beneficiaries of the programme, 381.622 were summoned to an interview, the difference being explained by the "natural exits" during the period.
- 316.318 long-term unemployed (82.9% of the unemployed summoned and 67.9% of the potential beneficiaries) actually came for the interview.

Action undertaken :

- Placements : 6.890, of which 930 through solidarity contract offers; 372 on employment-training contracts
- Joint ANPE (national employment agency) AFP A (national training association) activities aimed at re-integrating people into working life :
 - evaluation tests for vocational capacity 8.747
 - technical training in job search 10.957
 - in-depth vocational guidance session 14.990

Without it being possible to specify the extent to which these contacts were followed unemployed persons did not attend activities when they were held too far away from their home.

- 8.750 guidance sessions were given to long FPA training programmes; 23.000 spontaneous applications were filed which needs to be compared with the 21.000 places put aside by AFP A in priority for long-term unemployed persons.
- Other actions :
 - 29.000 long-term unemployed persons over 60 years of age were given training during joint sessions organised by the National Old-age Insurance Fund on new arrangements for retirement.

- 10.000 appointments were made with works doctors when the persons were experiencing serious health problems.

At the end of the programme (March 31, 1983) there remained 261.800 long-term unemployed persons registered at the Agency. Thus, 44% of the long term unemployed left their ranks during the programme :

- 38.068 found a job (6.890 through the Agency)
- 12.500 gave up job search
- 51.000 were struck off for failing to come to an interview or not signing on
- 15.000 retired or took an early retirement

The resources : This programme was carried through in close collaboration between ANPE, AFP A, the ASSEDICs (the unemployment insurance bodies) and the DDTEs (the "départemental" employment offices). ANPE staff (administrators, placement officers and vocational advisers in the main) devoted 72.250 days to the programme.

The prospects : This programme brought out in particular the need for preventive action by the public employment service in order to avoid the growth of long-term unemployment, which is a factor excluding people from society and 'social marginalisation'. It has therefore been decided to spread the new approaches experimented with in this programme to the flow of job-seekers reaching their fourth and thirteenth month of enrolment at ANPE. Such an extension of the programme requires significant resources. Thus, it will be progressively applied over the coming three to four years.

GREECE : Seasonal workers in hotels

Special care is being taken for those working seasonally in hotels. It provides that a number of them will be rehired for the next season according to the reservations (occupancy rate) of the hotel in which they worked the previous season.

GREECE : Young people

Working students up to 25 years of age are allowed an additional fourteen days' leave of absence for their participation in examinations. The salary corresponding to those days of absence is partly covered by OAED (6 days) and partly by the State's investments (8 days).

NETHERLANDS : Study on temporary work

The Ministry of Labour and Social Affairs commissioned Audersson, Effers and Felix to investigate the background of temporary work. The study, which covered 13 enterprises and public services, has been presented to the Second Chamber and the Labour Foundation.

One of the recommendations of the report is that, in the interest of redistributing work and good working relationships, collective agreements have to decide on the maximum number of temporaries and other non permanent collaborators per company. Furthermore, minimum guarantees for work and income have to be incorporated in the collective agreements.

The investigators examined how far the use of temporaries and other "free" working relationships can be called improper. This happens for instance when "free" working relationships are entered into in order to avoid social security contributions, to be able to apply different working conditions, to be able to prevent having a work's council, to compensate for bad personnel policy or to make use of inexpensive malafide middlemen. The investigators consider

that these forms of improper use continue to require State control.

On the other hand, the use of temporaries ensures flexibility for enterprises. However, under the pressure of economic conditions the number of temporaries has been reduced by half over the past two years.

In the medium term (the next 2 to 4 years) the investigators expect, however, increased demand for "free" collaborators at the expense of permanent jobs as a consequence of the fluctuations in activity which are to be expected in the eighties and of the increasing insecurity as regards envisaged economic activities.

Bearing in mind the predicted increase in the demand for "free" collaborators, the investigators believe that the public authorities cannot just stand by and watch how a great deal of corporate risk is being shifted onto welfare facilities and how job security, which has been developed at great effort, is being encroached upon. The investigators request that, unless there are serious reasons, "free" working relationships shall not be allowed to replace (regular) permanent jobs.

UNITED KINGDOM : Programmes for the long-term unemployed

The United Kingdom's largest ever initiative to help the long-term unemployed, the **Community Programme**, was introduced in October last year. This Programme incorporates the previous Community Enterprise Programme and increases four fold the number of temporary job opportunities available to those who have been out of work for some time. It has made an encouraging start. At the end of February a total of 38,000 people were being supported by both Programmes of which 13,000 were on the new Programme itself — this is almost double the figure for the end of January.

Most projects supported by the Programme will include a mix of full and part-time jobs but it is expected that as many as half of the 130,000 places available will be full time. This compares favourably with the 30,000 jobs previously available under the Community Enterprise Programme. Some projects are unsuitable for part time work but this difficulty can often be overcome by the use of managing agencies to develop and co-ordinate a range of projects. Under this arrangement a managing agent will contract with the Manpower Services Commission, who administer the Scheme, to provide a certain number of places on projects run by a variety of different sponsors. In addition to the normal funding arrangements the Agent will receive a supplementary fee of £100 per year for each filled Programme place for which it is responsible, to cover administration costs. Such an arrangement will also prove advantageous to smaller sponsors who may not feel able to administer their projects themselves.

The range of acceptable projects is fairly wide, but they must make a significant contribution to increasing the long-term employment prospects of those involved; they should also, if possible, result in the creation of something of long-term practical value to the community and should provide, as far as is feasible, a working environment with the usual disciplines of the work place, including the pace of work found in industry or commerce. Projects already running involve environmental improvement and nature conservation work, and the provision or restoration of social amenities such as community centres, childrens' nurseries, play groups, etc. At the end of February a total of over 1,500 projects had been approved on the new Programme, although not all were yet in operation, and in addition over 2,200 Community Enterprise Programme schemes were still in operation.

The Programme provides a great opportunity for a wide range of sponsoring organisations to help unemployed people and their local communities. It is hoped that experience of the Programme will help those who have been out of work for

some time to re-establish themselves and regain their confidence. With a recent work reference, and possibly training, they should be better placed to compete again for permanent jobs.

UNITED KINGDOM : Professional and Executive Recruitment

Professional and Executive Recruitment (PER) is a specialist part of the public employment service catering for occupations in the managerial, professional, scientific, technical and executive group. It has operated on a fee-charging basis since it was set up in present form in 1973, making charges to employers, using its range of recruitment services.

Following the review of the performance and future role of PER in September 1982, it has been decided that the service will operate on a wholly self-financing basis from 1 April 1983. A management Board is also being set up to advise the Manpower Services Commission and PER Management on a commercial policy and the services which should be provided and to supervise PER's financial performance. An annual plan and budget will be produced for the Commission's approval and an annual report published. PER's advisory services to job-seekers will be concentrated on the provision of a job hunting booklet and seminars for which all PER jobseekers will continue to be eligible.

EUROPEAN COMMUNITY : Promotion of employment for young people

In April the Commission approved a communication to the Council and to the European Parliament entitled "The Promotion of Employment for Young People". The communication was to be discussed by the Community's tripartite Standing Committee on Employment in May prior to discussions in the Social Affairs Council scheduled for 2 June. Youth employment was also one of the central themes of the special session of the European Parliament on the Community's employment situation, held in Brussels 27 - 28 April.

More than 4.5 million young people under 25 are without jobs, out of a total of over 12 million unemployed in the European Community. The situation varies between Member States but, while the average rate for adult unemployment stands at about 11%, that of young people is over 20%. Put another way, whilst young people comprise only about 20% of the total labour force of the Community, they represent some 40% of the total registered unemployed.

Despite the various measures taken over past years at local, national and Community level to promote the training and employment of young people, their job prospects have worsened as the recession has deepened. As the rate of unemployment has increased, so has its duration. Over 2 million young people have now been without a job for more than 6 months, and almost 1.5 million for over one year.

The Commission considers that, if the Community is to meet its policy priorities, it needs to :

- strengthen the general strategy against unemployment;
- face up to the more specific and acute challenge of youth unemployment;
- develop a programme of specific measures at national and Community level aimed at combatting youth unemployment.

In practical terms this means :

General strategy

Youth unemployment cannot be effectively tackled in isolation from attempts to rectify the general economic situation characterised by stagnating growth and falling investment. The Commission considers that the very urgency of the need to combat youth unemployment reinforces the case for more active and energetic efforts to improve the general em-

ployment situation by the adoption of appropriate economic policies.

The specific challenge of youth unemployment

The Commission stresses that reduction of the unemployment rate of young people down to the average rate for adults would require the creation of 2.5 million extra jobs.

The present situation of long-term youth unemployment requires a special effort, not only of job creation, but also of organisation at local level, so that the most disadvantaged young people can benefit from a minimum of job stability (2 years for example), to avoid the risk of becoming part of a permanent group of social outcasts. In so far as these young people have not had the benefit of vocational trainings as envisaged by the Commission in its proposals for a social guarantee, the offer of employment should be accompanied by appropriate training provisions.

The Commission believes that it is not impossible to meet this challenge within five years.

A programme of special measures

Five types of action are identified :

- (i) expand employment opportunities through the reorganisation and reduction of working time, including the creation of part-time jobs, and to ensure that young people benefit from this process;
- (ii) encourage employers in the private sector to create new jobs and to increase the recruitment of young people, particularly through the use of recruitment premia;
- (iii) help young people to develop new enterprises;
- (iv) expand non-market sector employment opportunities with recruitment concentrated on young people, and provide jobs for long-term young unemployed through special temporary public programmes, or quotas;
- (v) in the absence of an immediate improvement in the employment situation of young people, to assist them to develop their non-vocational interests through better support facilities.

These actions should be anchored in the following principle : ensuring the stability and quality of employment, without necessarily insisting on full-time jobs; avoiding the encouragement of purely temporary or marginal jobs; emphasizing "positive actions" in favour of the most disadvantaged groups of young people and intended also to widen the range of jobs available to girls; and complementing the training opportunities provided under the social guarantee.

EUROPEAN COMMUNITY : Social support scheme for steel industry restructuring in the Community

The Commission approved, following consultation with the Advisory Committee of the ECSC, the general objectives for steel in 1985 and the 1983-86 social support scheme for the industry. This deals with help in creating new jobs, supporting early retirements, reducing working time and labour reintegration, as well as contributing to the initiatives of local or regional bodies. Support from the general ECSC budget will be indispensable for implementing these measures.

The scheme would support measures aimed at meeting the social and employment problems resulting from industrial reorganisation in Community steel-making areas in the four years up to 1986. Total **employment in the Community's steel industry is** estimated by the Commission to have dropped by end-1982 to **523.000** and to be likely to suffer a further very considerable reduction in the period in question.

The Commission estimates that new Community resources of 330 million ECU will be needed for the scheme. This is based on a working hypothesis of **150.000 further job losses** in

the 1983-1986 period. Out of this total, 20.000 persons are expected to leave the industry in the process of natural wastage. Of the remaining 130.000 workers, it is likely that roughly half will take early retirement or will see their jobs maintained by measures to reduce and reorganise working time, while the remainder will be seeking jobs in other sectors of the economy. In most countries, the group of older workers is in fact already much reduced as a result of early retirement arrangements connected with earlier restructuring measures.

The social support policy outlined by the Commission would pursue **four interrelated objectives** :

- first, to **attract new jobs** in the affected regions. An important objective, but one not requiring the allocation of extraordinary budgetary resources, is the creation of a varied and highly-skilled labour force, an important factor in attracting new investment. To this end, training facilities must be set up in skills which were not previously available in steel areas, in particular where new technologies are concerned ; and it will be necessary to expand experiments in establishing specific vocational training units adapted to regional realities and to the special problems affecting steelworkers. These programmes would continue to be financed by the regular ECSC operating budget and by the European social fund.

In order to attract larger numbers of new jobs into the steel regions, the Commission is seeking to mobilise all the relevant funds in this context, and in particular to increase the interest rate subsidies on loans granted under Article 56 (2) (a) of the ECSC Treaty.

- second, to **reduce the supply of labour** in areas where it is already heavily in surplus. The proposed measures aimed at reducing the supply of labour would take the form of a payment designed to compensate workers temporarily for the loss of income which results from early retirement or from recourse to worksharing measures designed to maintain jobs.

The Commission expects that approximately 65 000 steelworkers would qualify for one or other of the types of aid. Of these, some 55 - 60 000 persons might take early retirement while the jobs of a further 5 - 10.000 persons would be maintained through measures to reduce working time.

- third, to promote opportunities for the **reintegration of former ECSC workers** in other areas of activity. Present policy remains unchanged for the third set of measures in so far as they aim to facilitate geographical mobility and training and retraining of redundant workers with a view to their employment in other sectors of existing activity.

Measures to keep up the level of skills and qualifications of the long-term unemployed, for example through temporary work experience in the public work sector, should be able to benefit from Community aid to the extent that former steelworkers are employed under such schemes.

- fourth, to **promote the creation of organisations** in steel regions to support an efficient and coherent application of the total programme of support.

Several Member States and regions have set up bodies to examine and coordinate the solutions that must be found to the problems of restructuring in steel industry regions. Some of these local or regional coordinating units have tasks more especially in the field of forward-looking labour market management. These bodies should be composed of the representatives of local authorities, the two sides of industry, the steel companies and the manpower services concerned. If such bodies are already established or can be set up in steel regions, the Commission would wish to contribute by co-financing their operation in preparing and implementing a coordinated local or regional labour market approach.

Working time

BELGIUM: Redistributing available work through changes in working time (Royal decree N° 179)

Redistributing the work available is at the heart of the concerns of the Belgian government. Wage restraint was called for in 1983 and 1984 no longer to restore corporate competitiveness but rather with the aim of direct job creation. However, this measure only governs financing by a maximum 5% reduction of working time and only leads to a maximum 3% additional hiring. Certain exceptions and specific systems are still foreseen which further water down the compensatory jobs created (see page 4).

The government is aware that things have to be taken further. Various studies have shown that the reduction of working time only has a valid correlative effect on employment if it is significant. The government has hence decided to set up the necessary conditions for experimenting with new forms of work organisation.

Some people have in fact pointed to the barriers or obstacles to developing innovatory approaches to work organisation in Belgium. Feeling its way carefully forward and respecting previously won rights, the government has limited itself to setting up a juridical framework which should enable **certain contractual and reversible experiments to be carried out**.

Without changing the length of time worked by those already on the organisation's payroll, production can be stepped up by hiring additional workers or by overtime, possibly coupled with relatively large amounts of investment in material. All this is expensive, whereas the rate of capacity utilisation either does not increase at all or only slightly.

The government is striving to create the conditions for improving capacity utilisation (increase in the number of shifts worked) without raising too much the unit costs of production. Thus entry can be gained to new markets without there being any constraint of too high unit marginal costs. The development of certain production levels should enable the lasting creation of jobs of unspecified length.

This is the background to the government publishing Royal Decree N° 179 on December 30, 1982 enabling it to part finance - in a limited and degressive way - the experiments which will be tried.

DENMARK: Voluntary early retirement pay scheme.

The voluntary early retirement pay scheme should primarily be seen as a labour market policy measure aiming at redistributing the existing volume of work as the withdrawal of older employees from the labour force makes it possible to employ young unemployed persons.

At the same time the voluntary early retirement pay scheme is of considerable importance to worn-down employees who have for a number of years been employed at particularly demanding work, physically or psychically. This group is now offered the possibility of withdrawing from the labour force some years before the pensionable age without having to experience a very large drop in income as earlier.

The voluntary early retirement pay scheme has been introduced as a supplement to the existing unemployment insurance system. Through increased employers' and membership contributions to the unemployment insurance the social partners finance that part of the expenditure in connection with the voluntary early retirement pay scheme which is not off-set by reduced expenditure in the form of daily cash

benefits in connection with unemployment and social security benefits and assistance.

The scheme is open to all members of an unemployment insurance fund over the age of 60 years who:

- have been members of the fund for at least 10 years within the last 15 years; however, as regards members who have attained the age of 50 before 6 May 1980 only 5 years' membership within the last 10 years is required;
- satisfy the conditions for entitlement to daily cash benefits in the case of unemployment;
- have their residence in Denmark; and
- are not receiving any pension under the social pensions legislation.

The scheme means that both employees as well as self-employed persons may join the voluntary early retirement pay scheme at the age of 60 as membership of an unemployment insurance fund is open to both of these categories.

When joining the scheme the member receives a voluntary early retirement pay which corresponds to the amount he/she would have been entitled to in the event of unemployment. The unemployment benefit corresponds to 90 per cent of the previous earnings of the member; however, until 1 April 1985 not more than D.kr. 104,520 will be paid annually. Voluntary early retirement pay recipients who have joined the scheme after 1 January 1983 will receive a small adjustment of the amount corresponding to an increase of 4 per cent annually. The voluntary early retirement pay will be paid at this rate for a period corresponding to the period during which the person in question would have qualified for daily cash benefits. The voluntary early retirement pay will for up to 2½ years be, as a maximum, D.kr. 104,520 per year. For the following 2 years the amount of the voluntary early retirement pay can, as a maximum, be 80 per cent of that amount (D.kr. 86,616 per year) and then 70 per cent thereof (D.kr. 73,164 per year).

Part-time employees may also join the scheme. The amount of the voluntary early retirement pay for part-time insured members is, as a maximum, 2/3 of the rates for full-time insured members.

The recipients of voluntary early retirement pay are allowed to work for up to 200 hours per year (including unpaid work) without any deduction in their voluntary early retirement pay. If they work for more than 200 hours they cannot at the same time receive the early retirement pay.

Deductions are made in the amount of the voluntary early retirement pay for certain types of pension.

Voluntary early retirement pay cannot be paid to members who stay abroad for more than 3 months each year.

The voluntary early retirement pay is intended as a once-and-for-all offer so that members who have withdrawn from or have been excluded from the scheme will not be allowed to join it again later.

GERMANY: Quantitative impact of short-time working, etc.

IAB, the Institute for Labour Market and Vocational Research of the Federal Institute of Employment, has recently made some estimates of the past impact and projections of the labour market measures financed by the Federal Employment Institute.

In 1982, 284,000 more persons would have been unemployed than the annual average of 1 833 200 without special

measures. This figure is made up by 141 000 persons on **short-time working**, 103 000 undertaking **vocational training** and retraining and 40 000 involved in **job creation measures**.

The money available to the Institute in **1983** has been increased to some **DM 7 000 million**. This, it is estimated, should stop the unemployment figure rising by 363 000, with 179 000 persons being kept at work on short-time, 75 000 being employed on job creation measures (see inforMISEP N° 1) and 109 000 undertaking training.

Short-time working maintains employment relationships. In general, each short-time worker does not work for one third of his normal working time. Thus, on an annual average three short-time workers are equal to one employed person. Since experience shows that not all those who lose their jobs register at the labour office, the registered unemployment avoided is somewhat less.

In the general **job creation measures** («ABM»), previously unemployed workers are taken on. In this extent, relief comes into operation immediately. In addition to this, there are indirect consequences on employment and unemployment, for instance through the stimuli set off in this way for other firms and branches of industry.

More than half the participants in **training and retraining programmes** (in full-time learning) have previously been unemployed or directly threatened by unemployment. The other participants also contribute to easing unemployment since they make available, for instance, jobs for others.

LUXEMBOURG : Early retirement in the iron and steel industry from 1978 to 1983

The Grand Ducal ruling of December 27, 1977 set out the terms whereby those employed in the iron and steel industry could take up an early retirement and then draw on a «waiting allowance».

The entitlements were available to wage-earners employed on January 1, 1978 by an enterprise in the iron and steel industry when, during the three consecutive years to that date they fulfilled the conditions required to be able to be granted either an old-age pension or an early retirement pension.

The Grand Ducal ruling of October 31, 1978 retains the **extension** of the early retirement model. Thus, in the period from November 1, 1978 to January 1, 1980 workers pensionable in 1981 and 1982 were required to take an early retirement on a monthly basis.

A new text (the Grand Ducal ruling of March 5, 1980) eased the early retirement system by making it **optional**. This enabled those who were employed in 1980, 1981 and 1982 to draw a waiting allowance when during the three consecutive years to January 1, 1983 they fulfilled the conditions required for claiming the right to an old-age pension, normal or in advance.

This **optional system has been prolonged** by the Grand Ducal ruling of December 24, 1982, whereby workers employed in 1983 and 1984 by an enterprise in the iron and steel industry who will, in 1986 and 1987, fulfil the conditions required for being able to claim an old-age pension or an early old-age pension, can claim a waiting allowance in the case of early retirement from January 1 from the third calendar year preceding that during which the conditions for granting either an old-age pension or an early old-age pension are fulfilled.

The **amount of this waiting allowance** in the case of early retirement is equal to :

- 85% of the gross monthly remuneration in fact received by the worker during the three months immediately preceding the period of compensation for a 12 month period ;

- 80% of this remuneration for a second period of 12 months ;
- 75% of this remuneration for a period running until the indemnity service ceases.

It should be noted that the reductions in wages and salary coming into force during the reference period are not taken into consideration for the definition of the reference remuneration.

Number of beneficiaries and total expenditure for early retirements covered by the Unemployment Fund

	number	cost (in millions of francs)
1978	888	355
1979	275	460
1980	317	501
1981	284	574
1982	508	710
TOTAL :	2.271	2.600

NETHERLANDS : Registration of the 57 and a half year olds at the employment bureau.

For the third time recently the question of the 57 and a half year olds has cropped up again. This time the Secretary of State wants to **dispense** those over 57 and a half years of age who are drawing unemployment benefit **from having to register at the employment bureau**. He has consulted the Social Insurance Council (SVR) and the WWV Advisory Committee of the Social Economic Council (SER) about modifying the Unemployment Act (WW) and the Unemployment Facilities Act (WWV) to this effect. His opinion is that, given the present labour market situation, unemployed persons over 57 and a half years of age cannot generally expect to get a job again.

The **modification would be temporary**. As the labour market situation changes, the exemption would be lifted. Employees over 57 and a half years of age keep the right to be registered as jobseekers.

NETHERLANDS : Suspending collective agreement clauses - results of negotiations

For more than one million employees working under the terms of collective bargains, agreements have by now been made on forms of reducing working hours. These concern nearly half of all employees in commerce and industry covered by collective bargains. In exchange for the reduction in working hours, employees give up wage claims such as (a part of) price compensation.

For over 300.000 employees, the social partners are still deliberating on either payments or any other way in which wage claims already accepted in collective agreements can be dealt with. The one million or more employees for whom an agreement has now been reached are involved in a total of 87 collective agreements. Of these, 40 (165.000 employees) have actually been concluded in the meantime.

UNITED KINGDOM : The Job Release Scheme

This scheme, which first opened for applications on 3 January 1977, **encourages older workers to leave the employment field** in return for a weekly allowance, provided that the jobs in question are filled by unemployed persons who would not otherwise have been taken on.

A **replacement** must be recruited either for the same job as

that vacated by the released employee, or for another job at the end of a chain of moves or promotions started by the departure of the released employee. In the latter case there must be a clear and demonstrable link between the job vacated by the released employee and the vacancy to which the replacement is recruited so that the Department of Employment can be completely satisfied that the recruitment of a new employee is a direct consequence of the departure of the released employee. If no link can be demonstrated the application will be rejected.

Various changes have been made to the **eligibility conditions** since the scheme first began. Three schemes are at present in operation : one for all men aged 64 and women aged 59 ; one for disabled men aged 60 and over and one for all men aged 62 or 63. There are four rates of allowance. The allowances for those joining the scheme for men aged 64 and women aged 59 (Scheme 1) are tax free. The allowances for men aged 62 and 63 and disabled men aged 60 and 61 (Schemes 2 and 3) are taxable (because the law requires allowances paid for more than one year to be taxed). For both taxed and tax-free schemes there is a higher rate for certain married applicants. The rates are reviewed in April each year and are currently :

	Tax-free (Scheme 1)	Taxable (Schemes 2 and 3)
Higher rate for certain married applicants	£57.75	£67.20
Lower rate	£45.70	£54.60

The current Scheme is open only to full-time workers (ie those working at least 30 hours a week) who have been with their present employer for at least 12 months. Excluded from the scheme are : self-employed workers ; seasonal workers ; those on short-time working ; those in short-time employment ; those under notice of redundancy and those being compulsorily retired.

The Scheme is open for applications until 31 March 1984. From April 1984 to March 31 1985 the qualifying age of 62 for men will be raised to 64 ; women will continue to be eligible at 59 and disabled men at 60.

On 15 March this year a **Part-Time Job Release Scheme** was announced. This will encourage older workers to work part-time in the years before they retire and will therefore provide more part-time jobs for unemployed people.

The Part-Time Job Release Scheme will run from October 3, 1983 to the end of March 1985. It will offer a weekly allowance where people change to part-time work and an unemployed person is taken on for the other half of their job. The Scheme is open to the same age groups as the full time Scheme and opens for applications on August 8. By helping unemployed people find part-time work it is expected to have an effect on unemployment of about 40,000 by March 1985 at a gross cost of around £ 40 million in 1984/85. The allowance, which will be taxable, will be half the rate of the existing Full-Time Scheme. For married applications who meet certain specified conditions, the weekly allowance will be £ 33.60. For others, the allowance will be £ 27.30.

Other measures

IRELAND : Report on working party on child care facilities for working parents

A working party on child care facilities for working parents presented its report to the Minister for Labour in March. The working party was appointed in April 1981, in accordance with an undertaking contained in the second national understanding for economic and social development which had been adopted in September 1980. Its membership was comprised of representatives nominated by various interest groups including the social partners, the Employment Equality Agency, the Council for the Status of Women and a number of independent members. Its **terms of reference** were as follows :

«to examine the position of child care services and facilities for working parents, having regard to ILO recommendation 123 of 1965 concerning the employment of women with family responsibilities and to make recommendations thereon».

The working party's **recommendations** fall into two main categories relating to

- (i) the statutory regulation and control of day care facilities for children and general arrangements for the provision of a community-based child care service,
- (ii) the scope for adopting more flexible alternative working arrangements in the workplace.

Broadly speaking, it was envisaged that the regional health boards, under the Minister for Health, would be responsible for initiatives regarding (i) above. In that connection, the working party also recommended the establishment of a **statutory national child care authority**, to oversee general developments within this area.

As regards (ii) above, the working party recommended that

both sides of industry should examine the scope for **reorganised attendance arrangements in the workplace** to respond to current needs, such as the extension of part-time and temporary employment, improvements in maternity and parental leave entitlements, provision for career breaks, and the greater use of flexible working hours and holidays, worksharing, job-splitting, and shift work. The detailed arrangements in each enterprise should be a matter for negotiation within the framework of the collective bargaining process. The views of interested bodies have been sought on the report in order to assist government in determining policy priorities in the area.

LUXEMBOURG : Employment for old-age pensioners

The law of December 24, 1982 modified and completed the law of April 8, 1982 setting out special measures to ensure employment maintenance and the general competitiveness of the economy. It consists of a certain number of arrangements concerning access to employment of persons drawing old-age pensions. These arrangements move in the direction of increasing the flexibility of the system authorising the employment of those drawing old-age pensions in the light of experience gained in this area.

Without infringing the arrangements of social legislation forbidding any job for persons drawing an early old-age pension, those persons whether or not they are Luxembourg nationals, drawing an old-age pension from a contributory or non-contributory pension system which exceeds the minimum social wage received by an unskilled worker aged more than 18 years, can only have paid employment or continue such employment if, on their express request, they receive due authorisation by the minister of labour and social security on the advice of the Employment Administration.

The Minister of Labour and Social Security can give authorisations :

- a) for renewable periods of six months at the most to persons wishing to have or to continue to have a job consisting of a working schedule exceeding 16 hours a week, provided that the placement services of the Employment Administration have not received a job request from a person without work, a job-seeker or a person wishing to change his job who meets the training, vocational skills and qualifications for the job for which the permit has been requested.
- b) for a period he specifies to persons wishing to take up or continue a job consisting of a normal working schedule not exceeding 16 hours per week ;
- c) for a period he specifies, in necessitous cases which have been established to be of a social character.

NETHERLANDS : Work Environment Law

On January 1, 1983 the first phase of a work environment law came into operation. This law, which supersedes the 1934 Safety Law, deals more actively with a number of points concerning the position of employees in companies.

The aim of the law can be defined as to enhance on optimal work environment through good conditions for safety, health and well-being at work.

The law is being phased into operation over a period of 8 years. It supersedes not only the 1934 Law but others dealing with occupational health and safety. Beside the aspect of

safety the new law deals with matters of employee training and personal well-being.

The main principles of the law are :

- making use of the best possible working methods and protection measures (according to the current state of science and technology) as regards the safety, health and well-being of the employees.
- providing adequate emergency conditions and equipment and first aid requirements where dangerous conditions can arise for the workers
- using the safest possible machines, instruments, tools and material
- combatting dangers for health and safety at source, in as far as possible
- designing work stations, working methods, etc. which are adapted to the worker
- avoiding monotonous and highly repetitive work and work whose speed is determined by a machine or an assembly line
- paying attention to the personal characteristics of the employee in designing and allocating jobs (such as the age, training, physical and mental health of the employee)
- taking care that the work contributes to the individual's personal development and professional skills, provides the opportunity for contact with other employees and ensures feedback of the results achieved.

Rough currency conversion rates

One European Currency Unit (ECU) was roughly equivalent to the following amounts of national currencies in May 1983 :

- Belgium : 45 Bfrs
- Denmark : 8.05 DAKs
- Germany : 2.27 DM
- Greece : 77 Drx
- France : 6.8 FF
- Ireland : 0.72 IR£
- Italy : 1348 Lit
- Netherlands : 2.54 Hfl
- United Kingdom : 0.59 U.K£

MISEP correspondents :

Belgium	Alfons Verlinden, Ministère de l'Emploi et du Travail
Denmark	Soren Hess, Arbejdsministeriet
Germany	Lutz Vogt, Bundesanstalt für Arbeit Magda Kugler Dabrowski Bundesministerium für Arbeit und Sozialordnung
Greece	Evangelia Hadziantoniou, Ypourgion Ergasias Angelos Zisimopoulos, O.A.E.D.
France	Denise Annandale, Agence Nationale pour l'Emploi Claire Aubin, Ministère de l'Emploi
Ireland	Joe McLaughlin, Department of Labour
Luxembourg	Jean Hoffmann, Administration de l'Emploi
Italy	Teodosio Zeuli, Ministero del Lavoro e della Previdenza Sociale
The Netherlands	Chris Smolders, Ministerie van Sociale Zaken en Werkgelegenheid
United Kingdom	Ron Sirett, Department of Employment
European Commission	Axel Bunz, DG V/A/1
Technical secretariat :	European Centre for Work and Society (Tony Hubert)

