

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

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On the basis of an agreement 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: Smoothed indexation
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Developments at a glance

- Belgium** Attention focuses on the impact of indexation and the reduction of working time on the volume of employment. The government's flat rate indexation is being modified into a smoothed, or gliding, system (p. 3). The first result of the approach of requiring employer-union agreements for a 5 per cent reduction in working time to be compensated by 3 per cent additional jobs is estimated to have generated between 26,000 and 40,000 new hirings so far (p. 3). Since no agreement was reached in the construction industry, the government has imposed working time reductions (p. 14).
- Denmark** The government's 1983-84 programme emphasises the need to free private enterprise from constraints so that it can raise profitability and hence the number of jobs. Government funds will be channelled to helping industry, especially smaller firms, to innovate and export. New bills are foreseen on adult vocational training, holiday payments, jobs for conscripts and equality of opportunity (p. 3).
- France** The National Employment Agency has been restructured following the appointment of a new director general (p. 4). Particular attention is being paid to computerising its services, notably for job-seekers (GIDE) (p. 16). The pilot approach to helping the long-term unemployed (inforMISEP no. 2) will be available to all concerned from 1985 (p. 11).
- Germany** The government is making a determined thrust to eradicate illegal work (p. 5) and to encourage specific categories of unemployed foreigners to return home (p. 12), particularly in the light of lengthening averages on unemployment (p. 17). Particular efforts are being made to increase the supply of training places by a special programme (p. 8) and improving legal conditions for employers - especially in smaller firms - making greater efforts to take on trainees (p. 9). An exemplary recent Hamburg initiative of a semi-public job creation company is outlined (p. 9).
- Greece** The government has recently toughened up the rules on collective dismissals, giving worker representatives considerable influence (p. 7). The Minister of Labour has taken a number of decisions during the summer to set aside funds to create jobs (p. 10). New employment offices have come into operation with a view in particular to improving the match of labour supply and demand (p. 16).
- Ireland** The industrial training authority - AnCo - is helping small firm start-ups and development (p. 9) especially through training (p. 9), including that of the unemployed (p. 13). Another state body, YEA, has launched a scheme with a private bank to help young people set up their own business (p. 12), whereas the YEA Community and Youth Enterprise Programme seeks to encourage and assist local enterprise initiatives (p. 10).
- Italy** The new government under Prime Minister Craxi has set out the overall approach to its employment policy as well as its basic tenets regarding specific employment measures. The same statement provides for a special Mezzogiorno project and modifications of labour law which are needed (p. 6). A set of modifications was introduced in September tightening up the 1968 law on the handicapped and their employment (p. 13).
- Luxembourg** Grand Ducal ruling of August 25, 1983 set out the conditions for and the ways and means of granting three special measures aimed at maintaining employment and the general competitiveness of the economy as outlined in the law of April 8, 1982. The measures provide aid for geographical mobility for job-seekers (p. 7), a lump sum for re-employment (p. 7), and aid for hiring the long-term unemployed and job-seekers who are particularly difficult to place (p. 13). These aids came into force on September 1, 1983. The same ruling also defined the criteria for establishing what "suitable work" is (p. 7).
- The Netherlands** The labour market situation in mid-1983 was not too bright with 17 per cent unemployment, but there are also positive sides (p. 17). The Minister of Education has recently launched a work experience programme for young, unemployed teachers (p. 8). The government is pressing ahead with 32 hour working week part-time jobs, insisting on a 30 per cent quota for most departmental posts falling vacant (p. 14). And then there is the progress of START, the temporary work agency (p. 16).
- United Kingdom** The main function of the Department of Employment's recently created Employment Market Research Unit is to make policy sense of the information available (p. 6). The Careers Service provided by local government is playing an important role in the Youth Training Scheme (p. 13).
- European Community** The Commission is preparing proposals for guidelines and a Community Action Programme on local, small-scale employment creation (p. 10). Information on the equality of opportunity action programme and the Commission's directive on parental leave are given (p. 14) as well as a draft recommendation of the Council on the reductions and reorganisation of working time (p. 15).

Overall measures to enhance employment

BELGIUM: Return to normal indexation, but on a smoothed basis

The government has foreseen an additional period of wage and salary moderation in 1983. This effort must be entirely devoted to reducing working time which can lead to job creation (see inforMISEP no. 2, June 1983).

This additional moderation is the outcome of prolonging lump sum wage and salary indexation until two new adjustments have occurred for public service wage-earners. This means two indexations calculated on the basis of the guaranteed average monthly minimum income granted from the second month following the month when the simple price index exceeded the threshold index, defined as a difference of 2 per cent compared with the previous threshold. The effect of prolonging this lump sum indexation is estimated to amount to about 2 per cent of aggregate remuneration.

From September 1983 there has been a return to the normal indexation foreseen by collective agreements because the second wage adjustment for public service workers was made in August. But the price index which will be taken into account from now onwards to trigger all adjustments in future will no longer be the simple price index but **the arithmetical average of the last four months**, i.e. a smoothed index over four months.

Bringing in this new index will mean an average initial delay in wage adjustments of two months. The wage impact of this delay has been estimated at 1 per cent. Thus overall there will be a moderation of 3 per cent for the year in terms of levels.

It should be noted that wage adaptation on the basis of the new index will in no way alter any specific ways and means of wage adjustments drawn up in collective agreements. But depending on the linking mechanism existing at the level of an agreement, the wage impact will be more or less immediate even if, as regards amounts, it remains identical in the end.

BELGIUM: Employment Fund - first results (Royal Decree no. 181)

The wish of the government has been that the additional wage restraint in 1983 be fully devoted to reductions in working time which create employment. This wage restraint follows the prolongation of the lump sum indexation system for the two new wage adjustments to the price index and the introduction of an index smoothed out over four months for all adjustments in the future.

This policy of work sharing has been brought in through agreements with the social partners. At the beginning the government had recommended that wage moderation of about 3 per cent (at the end of the year) should be earmarked to reducing working time by 5 per cent and compensatory hirings of 3 per cent in large enterprises. A separate policy was foreseen for small and medium-sized enterprises (see inforMISEP no. 2, page 4).

After the breakdown of national negotiations, negotiations took place in "paritary commissions" and, where these also broke down, directly in enterprises.

Negotiations started up on the basis of a governmental recommendation which foresaw a 5 per cent reduction in working time and a 3 per cent compensatory hiring. By mid-July only a few collective agreements had in fact achieved this aim. Most of the collective agreements reached in the paritary commissions foresee reductions of working time and compensatory hirings below these amounts. Some industries foresee hirings without any reductions in working time. Prominent here are industries which either already have short working time or are subject to special conditions. In a number of other industries a reduction of working time might be agreed to, but rather than envisaging compensatory hirings, reductions in short-time working and redundancies are foreseen.

The compensatory hirings foreseen in agreements by industry vary considerably from one industry to another, the percentages decided on and the practical ways and means for their application being very different in their natures. They concern more than one million persons. By taking account of a whole series of elements such as the inexact knowledge of the total number of workers covered by each paritary commission, whether or not each agreement is applied by small and medium-sized enterprises and the possibility foreseen in some agreements for a range of hirings, estimates of total numbers hired vary between 18,000 workers minimum and 30,000 maximum for 78 collective agreements by industry.

Collective agreements have been filed for some 950 enterprises. For many enterprises, two or more collective agreements have been reached applying to the wage-earners, the salary earners or to one or other of the plants. The firms concerned employ more than half a million workers. The hoped for compensatory hirings can be estimated at between 8,000 and 10,000 workers. Some 180 could be considered as enterprises in trouble with a high level of short-time working or experiencing exceptionally unfavourable economic conditions.

Thus all in all, by mid-July the total number of hirings foreseen within the framework of industry and enterprise agreements was estimated to range between 26,000 and 40,000 persons.

DENMARK: Government declaration and bills proposed for 1983/84

Under the Danish Constitution Act the Prime Minister shall, at the first meeting in the parliamentary year of the Folketing, render an account of the general state of the country and of the measures proposed by the government. In his account at the opening of the current session, the Prime Minister, Poul Schlütter, said:

"During its second phase, the "four-leaf clover" government* will formulate and propose a policy of growth and modernisation.

The time has come for more long-term policy with a broader basis, founded on a clear principle: economic

* The present Danish Government is composed of four parties and is popularly referred to as the "four-leaf clover Government".

problems can only be solved through **new economic growth**. The only way out of the country's present state of crisis is by freeing and strengthening the forces existing in our trade and industry, by creating sound conditions for production and investments, by appealing to dynamism and to the willingness to take risks, and by creating an economic climate ensuring that efforts undertaken will result in adequate profits enabling consolidation and new investments to be made. These are prerequisites for new growth in production and employment and thus in real wages.

The government therefore intends to implement a **programme for growth and modernisation** embracing five main elements:

- promotion of investments, production and employment,
- strengthening of savings and capital procurement
- a tax reform
- introduction of new expenditure policy principles, and
- a modernisation of the public sector.

Since this government took office there has been a marked change for the better in the economic climate in Denmark. This improvement should be maintained with a view to increasing production and employment in the private sector of the economy. It is the government's position that the only realistic and solid basis for growth in industrial investment lies in creating conditions which increase investment incentives.

A marked fall in interest levels has been experienced. The increase in prices and wages has dropped by 50 per cent. The rate of the Danish "krone" is stable and predictable. The first signs of an improvement in industrial profits are beginning to show. The government will, in its economic policy, ensure that these vital conditions continue to be fulfilled. A sound climate for trade and industry is the corner-stone of the government's industrial policy.

The government will undertake a reorientation of the funds appropriated for the promotion of trade and industry with a view to strengthening structural adaptation. It will to a greater degree channel the funds appropriated to promote trade and industry towards investments in new technology, production development and innovation and marketing of new products. In particular **small and medium-sized undertakings** find it difficult to solve these problems on their own. If they are assisted in these matters, the effects on employment, exports and foreign exchange earnings will be considerable. The government intends to continue and intensify its efforts to facilitate the establishment of new undertakings and the extension of existing small undertakings".

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The Danish Minister of Labour, Grethe Fenger Møller, proposes to introduce the **following bills**, among others, in the 1983/84 parliamentary year:

- **Bill on adult vocational training**
Vocational training courses for semi-skilled workers, further and advanced training courses for skilled workers, retraining courses and courses for

special categories of workers have so far been run under powers conferred partly by the Act on Training of Semi-skilled Workers and Re-training, etc., and partly by the annual Finance Acts and various administrative rules and regulations. These training activities are administered by councils, boards or committees with varying composition and powers. The considerable growth in these activities in recent years, including the introduction of various new programmes, has made it desirable to consolidate the legal basis in one statute which covers all types of adult vocational training activities.

- **Bill to amend the Holiday Act**

In September 1982 a working group was set up by the Ministry of Labour to deal with technical adjustments to the holiday giro system, etc. The bill is based upon a number of proposals which have been considered by the working group and which will lead to a simplification of the payment of holiday pay to special groups of employees, such as pensioners.

- **Bill on jobs to conscripts**

On the basis of the report submitted by the committee on job guarantees for conscripts, the government proposes to reduce the employment problems of conscripts on terminating military service by introducing legislation in this field.

- It is possible that a bill will be introduced concerning the amendment of the **Act on equal treatment for men and women** as regards access to employment, etc.

The European Commission has started proceedings against Denmark before the European Court of Justice alleging that the Danish Act on equal treatment narrows down the principle of equal treatment compared with the EEC Directive in this field.

At the present time negotiations are taking place with the Commission with a view to settling the matter out of court. In the event of a successful outcome of these negotiations, action will immediately be taken to introduce legislation to comply with the terms of a possible compromise.

The Minister of Labour will report to the Folketing on the **working time policy** issue.

FRANCE: The National Employment Agency's reorganisation

Mr Vanderpotte was appointed Director General of ANPE (the National Employment Agency) by decree of the Council of Ministers taken on April 30, 1983. He replaces Mr Delpy who has taken up another appointment.

From September 1, 1983, the Director General brought in a new structure of the general management enabling ANPE's development to be focused on the following three concepts: its computerisation, professionalisation and decentralisation.

To carry through this modernisation of the establishment, the number of deputies to the director general was increased to five. To the two existing posts of deputy in charge of programmes and in charge of the Establishment's administration were added:

- a deputy in charge of training and social affairs, this function having been detached from that of the administration of the Establishment;
- a deputy in charge of relations with industrial groupings entrusted with deciphering the recruitment and personnel management strategies of certain groups to enable ANPE to design and implement action programmes geared to the specific needs of these groups;
- a deputy in charge of the general inspectorate.

Furthermore, as regards the restructuring of services, two matters should be emphasised:

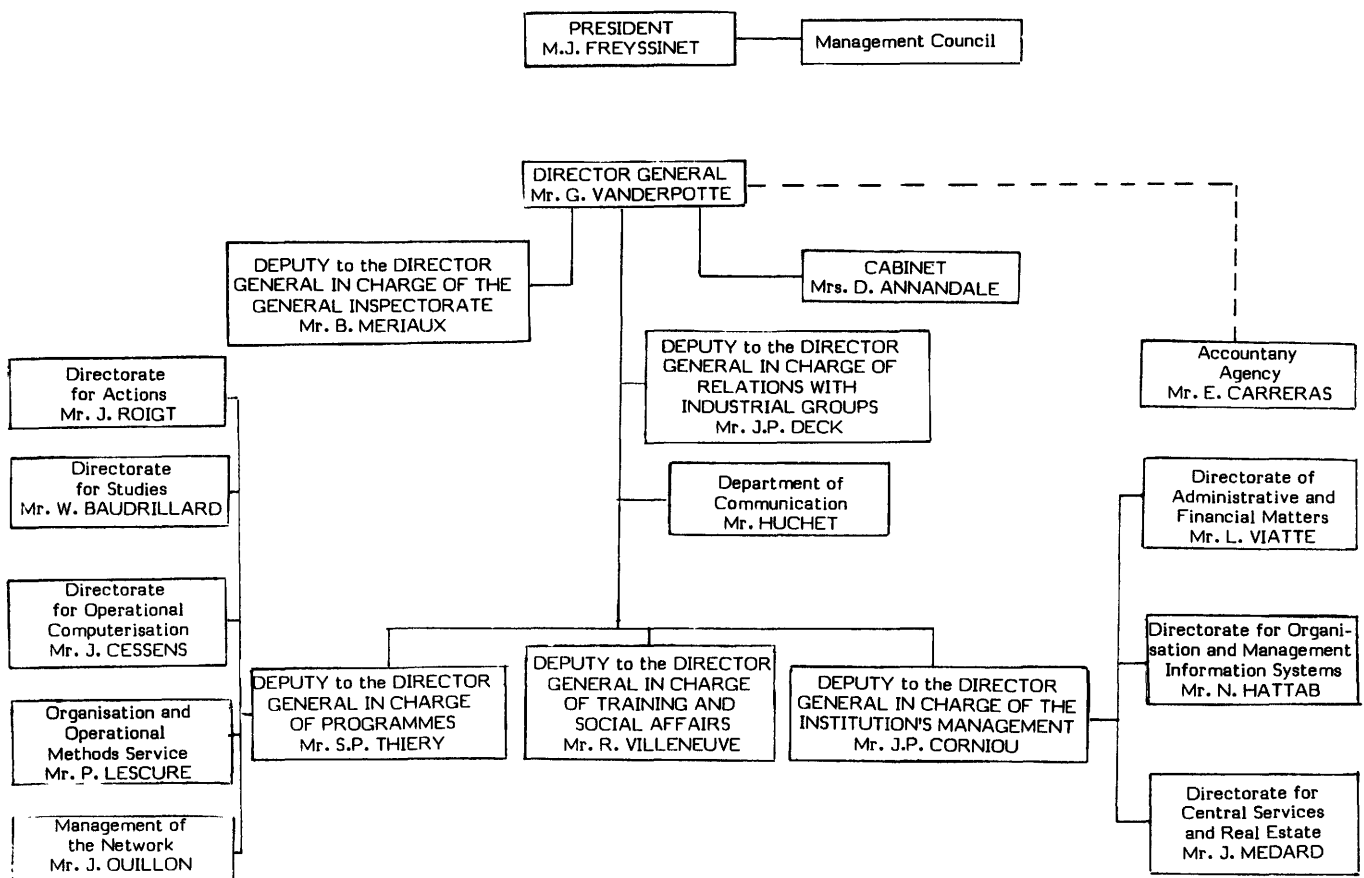
- splitting up responsibilities as regards computerisation. Since computerisation in operations and management is complex and urgent, teams needed to be finalised to ensure the best results.
- bringing together in a directorate of the network those services which dealt with negotiating objectives on the regional and "départemental" levels ("Mission Synthèse"), the follow-up team in the field (the former division for "animating" the network) and the former technical division of the units, which manages the physical and financial resources allocated to the network.

- it significantly reduces contributions to social insurance and taxes;
- it provides comparatively bad pay and working conditions;
- it reduces the competitiveness of those firms respecting laws.

The December 15, 1981 **Act on Combatting Illegal Employment** steps up the fight against those practising illegal work in the areas of:

- illegal hiring out of temporary employees;
- illegal employment of foreigners;
- undeclared work ("black work");
- excessive work.

Since many different regulations deal with illegal work, effectively combatting it requires co-operation between different agencies and groups. Thus the Federal Employment Institute has **intensified its efforts** by creating 25 special units which started operating **in the first half of 1983**. In addition to investigating wrong-doings in the areas mentioned above, these units have a stimulatory and coordinating function.



GERMANY: Fighting illegal employment

Illegal work has negative consequences:

- it endangers both existing jobs and the creation of new "legal" jobs for the unemployed;
- it impairs the social protection of the employee by bypassing requirements for sickness, accident and old age pension insurance;

First experience indicates that hiring out workers mainly occurs in construction, docks and increasingly also in welding, assembling and pipe construction.

A national coordination committee has also been constituted of all agencies and bodies involved. This is currently examining measures to intensify action.

A leaflet - "Down with illegal employment and undeclared work" - seeks to make the population aware of

the evils of illegal work. The Federal Minister of Labour will participate in the Federal Employment Institute's planned "action group for honest jobs".

Seriously tackling the problem, especially in the **building industry**, requires on site monitoring. Until now the only check has been that on personal identity papers. It has been virtually impossible to have any information on the employer and the health insurance to which social security contributions have to be paid. To facilitate checking, a system of worker identity cards might be introduced, provided the opportunities for misuse can be overcome.

ITALY: The new government programme, August 1983

The new Italian government under Prime Minister Craxi stated that, as regards employment policy, interventions are foreseen in the industry, handicrafts, commerce and agriculture sectors of the economy. Furthermore, **specific measures** are being introduced to support small firms' and handicraft firms' co-operative and associative initiatives concerning industrial areas, technological development, standardisation of products and exports.

An **intervention policy** to identify geographic basins experiencing difficulties is also foreseen, which would enable and facilitate the mobility of production factors by encouraging reconversions into activities having a more advanced technological content.

Specific employment measures will be taken in the belief that

- jobs can be found within the public sector where there are gaps as regards technical staff and workers and within local administrations;
- jobs for young people can be found both in the public and in the private sector through public sponsorship of training-work contracts, regulations on part-time work contracts, and revision of the legislation on apprenticeships;
- jobs could also be created for the self-employed by giving incentives to and helping people who had previously been employed to start up a new activity either on their own or in a co-operative.

A **special project for the Mezzogiorno** will be launched to create skilled employment concerning soil protection, the development and utilisation of water resources, the technological development in agriculture and agro-business, technical assistance to small companies and their associations, the conservation and development for tourism of the historical cultural heritage, restoring houses, civil protection and specialised services in tourism.

The coordinated and organised adoption of the aforementioned initiatives presupposes **setting up labour agencies** in at least some areas.

Modifications of the labour law are foreseen to allow for flexibility and adaptability in labour relations. These are in particular:

- measures intended to revise the legislation on obligatory employment and on "nominative demand" as well as other measures intended to allow for greater working time flexibility;

- overcoming the improper use which is being made of the wage compensation fund (CIG) and modifying the institute in the framework of a more general placement reform, by fixing the time limits and the procedure of a progressive reduction in payment.

Furthermore, interventions are foreseen in social security matters with a revision of the sickness benefit.

UNITED KINGDOM: Employment Market Research Unit

A new unit has been set up in the Department of Employment to provide up-to-date information about research into the workings of the employment market and the policy implications of this.

As an increasing amount of research has been undertaken both inside and outside government on a wide range of aspects of labour markets, the need for organised analysis of the policy implications of the findings has become very clear. It will be the Unit's **main function** to provide this by monitoring and drawing together all available research and so providing information on all aspects of labour markets.

The Unit, which will be staffed by economists and other social scientists headed by Mr David Stanton, a Senior Economic Adviser, will look beyond short term policy needs and consider employment issues from a broad perspective. Accordingly close contact will be maintained with the business and academic communities and other government departments which are represented in the Unit's Advisory Group.

As a first step, members of the Unit are **reviewing the research undertaken** by the Department of Employment and the Manpower Services Commission on employment issues and have been talking over the autumn to academics and policy researchers conducting labour market research. This will enable the Unit to establish the main strands of current and projected research and identify what, if any, **information gaps** exist. To meet these gaps, the Unit will either undertake or sponsor its own research and make recommendations about other avenues of research.

It is intended that the Unit will **publish** the results of its work through the Department of Employment's Gazette and Research Paper series as well as through other journals, seminars and conferences. In this way information about the workings of the labour market and employment issues will be widely disseminated and contribute to informed public debate on employment matters.

Employment Maintenance

GREECE: Collective dismissals

Law 1387/83 was recently passed by Parliament. Inspired by Directive no. 75/129 of the European Commission, it revised the legal framework for collective dismissals in favour of employees.

Henceforth, the right of the employer to resort to collective dismissals is considerably restrained: before taking any step he is obliged to consult with employee representatives with a view to finding a solution which would avoid a collective dismissal. The employer has also to follow a special procedure through the competent authorities before receiving their agreement to such dismissals which he decides on in consultation with the representatives.

Contrary to the existing situation, this law applies to all enterprises with more than 20 employees. The law allows employers with between 20 and 50 employees to dismiss up to five persons. Employers with more than 50 employees may dismiss up to 3 per cent. The exact proportion is defined every six months according to the conditions prevailing on the labour market. The total number of persons dismissed may not, however, exceed 30.

LUXEMBOURG: Ruling on aid to mobility (RGD of August 25, 1983)

Aid for geographical mobility is subject to the following conditions applying to the applicant: a minimum length of enrolment of six months at a placement office of the Employment Administration, remuneration less than three times the minimum social wage and a job of at least 20 working hours per week.

There are **three types** of geographical aid:

- The flat rate monthly allowance for travel expenses can be given for a maximum period of 12 months to a worker who is placed in or transferred to a new job located at least 30 kms from his usual place of residence. The amount of the allowance is a function of the ordinary monthly season ticket of Luxembourg State Railways.
- A monthly flat rate double residence allowance can be granted to a job-seeker who is responsible for the family and is placed in or transferred to a paid

job more than 50 kms from his home, provided that the means of communication stop him from returning to his usual home each evening.

The allowance amounts to 30 per cent of the reference minimum social wage (7,174 FL. on May 1, 1983). It is paid for six months at most.

- A one-time flat rate allowance for house removal and settling in. This is provided to a job-seeker placed in or transferred to a job located more than 35 kms from his normal place of residence, when the person in question moves from his normal place of residence for this reason during the year following his taking up of the work. The allowance is fixed at 50 per cent of the minimum social wage (11,957 FL. on May 1, 1983).

LUXEMBOURG: Flat rate aid for re-employment (RGD of August 25, 1983)

This aid is reserved for workers dismissed for economic reasons, for wage-earners threatened with losing their jobs and for workers who moved for economic reasons to another enterprise in accordance with a collective agreement.

Granting the aid is subjected to two cumulative conditions:

- the original industry from which the worker comes must have been declared as being in crisis by the government in council on the advice of the conjunctural committee;
- the industry into which the worker is placed must be characterised by a structural manpower deficit. These industries are determined by the council of the government on the proposal of the national employment commission.

The aid is given for a maximum period of 12 months from the placement and guarantees the worker placed 87.5 per cent of his previous remuneration, with an upward limit on this being fixed at 300 per cent of the minimum social wage (71,741 FL. on May 1, 1983). The right to the payment of a first instalment is acquired after six months of work and to a second after the job has been held for 12 months.

Aid to the unemployed

LUXEMBOURG: "Suitable work" defined (RGD of August 25, 1983)

The modified law of June 30, 1976 dealing with the creation of an employment fund and regulating the granting of full unemployment allowances states that an unemployed person aspiring to an unemployment allowance should be "fit for work, available for work and prepared to accept any suitable employment".

The Grand Ducal Ruling of August 25, 1983 is aimed at setting out the criteria for assessing suitable employment and at conferring on the notion a socially just content which fits the constraints of the employment

market. It should be noted that the assessment of the job offered to a job-seeker should be made bearing in mind the mobility and re-employment aids on which he can draw (see above). The **assessment criteria** decided on are as follows:

- the level of remuneration
- vocational skill
- physical and mental skills
- daily travel

- the family situation
- the system ("régime") of work
- working conditions

Some of these criteria are relatively restrictive in order to limit the number of cases of refusing work.

As regards the level of remuneration, a job is considered suitable which is paid at a level equal to that of the unemployment allowance which the job-seeker can claim.

Vocational skill is interpreted broadly: related vocations are suitable; even manual work can be assigned to a job-seeker who has been mainly carrying out white collar work if he has the vocational skills and his chances of subsequently getting another job are not considerably impaired by this.

As regards daily commuting, to be considered suitable the job must not involve daily travelling in excess of 2½ hours per working day. The job-seeker cannot refuse to use any private means of transport available to him, provided that his level of remuneration, conceivably taking into account geographical mobility into account, allows him to do so.

The family situation of the job-seeker must be particularly serious if it is to be taken into consideration as constituting an impediment.

Similarly, the job-seeker must put forward very serious circumstances to refuse an assigned job because of a particular system of work.

The text also sets out the conditions under which an assigned job can be refused in the case of the promise of another job; the job-seeker is required to present written proof that he will be hired within two weeks by another employer.

And, finally, the unemployed person can be dispensed from having to be checked for a maximum of 25 days

per year. During this period he does not receive an allowance.

NETHERLANDS: Work experience for young teachers

The Minister of Education has just launched an employment project for young unemployed teachers, the WPJ.

The **prime aim** of WPJ is to create openings for young people to acquire work experience in education by filling a job. This can on the one hand relieve the situation as regards employment of young people in the educational labour market and, on the other, enable those seeking jobs in teaching to have a better starting position in this labour market. The choice of having this very broad objective has been deliberate.

Every young person aspiring to a teaching position can be considered for a WPJ place provided that he/she fulfils a specific number of conditions. WPJ requests can be made by schools wanting to carry out activities according to their levels: thus for infants and primary schools the jobs must concern teaching whereas for schools of further education the jobs can be both teaching and non-teaching.

Expectations are that the project will cover some 300 man/years over a two year period.

Anybody fulfilling the following **conditions** can be given a WPJ job:

- be unemployed
- be a job-seeker enrolled at the provincial labour office
- have little or no working experience (not more than two years)
- have gained qualifications less than five years previously, as a result of which he/she is currently looking for work.

Training

GERMANY: Special programme for training places

German industry and commerce is providing some 685,000 training places this year. But as a consequence of the increased number of young school-leavers who are looking for training places, demand is greater than was estimated at the beginning of the year. Additional - particularly regional - schemes for those who have not found training places are necessary.

The federal government has hence decided to launch a one-off special programme with the following **criteria**:

- Young people who are registered at the Federal Employment Institute on September 30, 1983 as looking for a training place and who have not yet found one, shall be given support. Pride of place will be given to the training of girls and training in regions which have an insufficient supply of training places and above average youth unemployment. This should create an additional 7000 to 8000 training places.
- Training in recognised occupations will be exclusi-

vely promoted in training centres outside enterprises. Transfer to training within a company should be attempted as early as possible. Should this prove impossible, the support will, if necessary, be continued until the final examination.

- To carry out the programme, DM 160 million has been earmarked in the next five years. Should additional funds be needed, these would have to be provided by corresponding savings in the individual budgets of the ministries of Education and Science and of Labour.
- Training relationships should be supported which will have been started by March 31, 1984. A training compensation will be paid up to the amount of the vocational training allowance authorised by the Employment Promotion Act. The additional training costs (personnel and equipment) shall also be compensated for to an adequate amount.
- The scheme will be carried out according to the guidelines of the Federal Ministers of Labour and

Social Affairs and of Education and Science by the Federal Employment Institute in agreement with the chambers which, according to the Vocational Training Act, are responsible for registration of the training relationships.

The Federal Ministers of Education and Science and of Labour and Social Affairs have been charged to issue the guidelines for the scheme without delay in agreement with the Federal Ministers of Finance and of Economics and to inform the cabinet.

GERMANY: Additional measures for encouraging in-company training

The Cabinet agreed on September 28, 1983 that under the law on seriously disabled persons the number of trainees shall no longer be taken into account when calculating the number of compulsory jobs. At the same time, the chances of the seriously disabled trainees on the labour market will be improved through:

- clarifying that employers who are legally required to employ seriously disabled persons have also to provide a sufficient number of training places for seriously disabled trainees;
- calculating that one seriously disabled trainee is equivalent to at least two compulsory jobs for disabled persons;
- promoting in-company training places for the seriously disabled through additional financial aid from the "Ausgleichsabgabe" (compensation tax).

Craftsmen working alone and paying compulsory insurance are currently required by the law to pay only every second month a reduced contribution to the legal pension insurance if they employ an apprentice or only the spouse, or only a first degree relative. The reduction in contributions does not apply if such a craftsman trains another apprentice or employs an apprentice and the spouse.

In future, the reduction in contributions shall also apply when the craftsman employs the spouse or a first grade relative and additionally one or more apprentices.

The Federal Minister of Labour and Social Affairs has been charged with drafting the requisite rulings.

The reasoning behind the government's decision is that all possible steps should be taken to provide training places for the years when considerable numbers are leaving school. In addition it is trying to convince all types of organisations to make a big effort to create more training places, itself having created six per cent more.

An order relating to the Youth Employment Protection Act came into force on August 5 to ensure better matching of **working time** rules with the demands of vocational training. Moreover, a change in the workplace regulations means that girls have easier access to technical trades.

The 1984 financial bill foresees additional regulations ensuring that firms creating more training places are not put at a disadvantage. Thus trainees will no longer be counted for the company to qualify for drawing short-time allowance nor will they be counted with regard to tax reductions which are granted to smaller firms according to the new Act on Wealth Creation ("Vermögensbildungsgesetz").

IRELAND: Small Business Advisory Service

The Training Advisory Service of the industrial training authority (AnCo) this year established a range of new services aimed at small businesses. The foremost is a small firms information service. This gives small businesses the opportunity of obtaining advice on a confidential basis regarding their business problems and provides guidance on the training and other resources available to them, within and outside AnCo, to tackle these problems.

The Training Advisory Service has also been involved in introducing a new AnCo-produced computer-based training package to six small businesses. This package provides training in "finance for small business owners". An evaluation of this new approach to training is currently under way. Should it prove successful, it is planned to develop further computer-based training packages on the topics of "marketing" and "new product development".

Job creation

GERMANY: Job creation in Hamburg

The foundation of a non-profit corporation for the employment of those receiving welfare assistance is a new initiative of the Hamburg provincial government to fight unemployment. The Hamburger Arbeit-Beschäftigungsgesellschaft mbH (the "Hamburger Work-Employment Society Incorporated") was established on August 1, 1983 to provide in addition to 60 permanent jobs 500 workplaces and 55 training positions for those receiving welfare assistance.

The **purpose of HAB** is to conclude short-term work contracts which are subject to social insurance contributions particularly with those receiving welfare assistance who, because they have been unemployed for a long time, are difficult to place (if they can be placed at all) and for whom such a contract can facilitate their reintegration into working life. The Hamburg

government has earmarked some DM 9.3m for the second half of 1983 to defray the costs. HAB will be commissioned mainly by public authorities. But since private contracts should also be brought in, a representative of the Chamber of Handicrafts should be appointed to the HAB's supervisory board to avoid conflicts with old established firms.

Those receiving welfare assistance can be offered one year limited contracts, which can be extended to a maximum of three years. Jobs can be offered in metal-working, carpentry and paper processing as well as in scrap processing, or the production of working clothes and protective clothing. Persons are paid similarly to industrial workers in the public service. Collective agreements are being sought with the trade unions.

GREECE: Job creation

By article 29 of law 1262/82, already outlined in inforMISEP September 1982, the Minister of Labour can take decisions to facilitate the creation of new jobs for certain categories of unemployed persons. In consequence of this, the following decisions have been taken on August 31, 1983:

- by decision 32669 enterprises employing less than 10 persons can receive finance for hiring unskilled workers aged 16 to 18 years for a period of 18 months. The enterprise receives up to 30 per cent of the wage rate. The programme provides for **1000 new jobs** and is financed by OAED, the national manpower service, which has earmarked 45 000 000 drachmas for it.
- by decision 32730, OAED is financing the creation of **2000 new jobs** for young people aged 18 to 25 years in private enterprises, organisations and local authorities. 120 000 000 drachmas has been earmarked for the project. It will be used to cover up to 40 per cent of the wage rate for a period of one year.
- The Greek government has recently taken measures for the **repatriation** of Greek workers from countries around the world. By decision 32734 of August 3, 1983 of the Ministry of Labour, employment is provided for 800 Greek workers over the age of 46 years who return to Greece from other European Community countries. By this decision, OAED finances private enterprises, organisations and local authorities for every new hiring of such persons by paying 45 per cent of the wage rate for a period of six months. In counterpart, the employer undertakes to continue the employment for one further year. 54 000 000 drachmas are earmarked for this scheme.

IRELAND: Community and Youth Enterprise Programme

This programme was briefly referred to on page 11 of inforMISEP no. 3 on the activities of the Youth Employment Agency (YEA). The term "community and youth enterprise" describes the direct involvement of communities in stimulating and creating jobs that, at minimum, are economically sustainable. These jobs are expected at least to pay their way, in terms of day-to-day operating costs.

The Community and Youth Enterprise Programme has been launched by the YEA as a result of the growing awareness that tackling present employment and economic difficulties can be a task shared by all in the community and that enterprising people, with good ideas and the commitment to see them through, are not only to be found in the traditionally understood "business world". As the economic situation has worsened, the process of fighting back by many communities has accelerated. There is growing evidence of interest in local job creation among people and groups, who would not previously have seen a direct role for themselves in this area.

It is to further encourage and assist such **local enterprise initiatives** that the Community and Youth Enterprise Programme has been developed. The wide variety of voluntary groups and organisations already catering for community needs is the foundation for the programme. So also is the experience of those workers themselves and other members of the community who

have already set about identifying and developing opportunities for community-based enterprises, especially through co-operative ventures. The involvement of the community in this way is a real, additional contribution to job creation and to the process of building the self-confidence of communities about their ability to decisively influence the course of local economic development. It is complementary to the job creation efforts of the public and private sectors.

The terms 'community' and 'youth' are shorthand for the range of organisations which operate at local level such as community councils, youth organisations and employment committees. All have several characteristics in common. In composition they usually reflect a broadly based mix of skills, backgrounds and track records of involvement in community activity. They may see their role purely as that of catalyst; alternatively, they may provide an overall and continuing framework for the development of subsidiary enterprises, with surplus income reinvested in further community enterprise ventures or other community projects.

The programme provides **assistance** to such groups to develop enterprises supplying goods or services. Projects may, for instance, be in agriculture, fisheries, provision of local services, small scale manufacturing or crafts. The approach of the programme is, essentially, to help communities to help themselves by providing the following types of assistance:

- advice to groups who want to take a community enterprise initiative;
- planning grants for groups wishing to identify and investigate goods and services which might be provided locally;
- funding the employment of full-time enterprise workers for up to twelve months;
- direct financial aid for groups at the point of "start-up", specifically to contribute towards capital and revenue requirements and project management costs for up to twelve months; and
- linkages into the programmes and grant aid schemes of other state and commercial agencies. The Community and Youth Enterprise Programme is complementary to the enterprise development programmes of other bodies, such as the Industrial Development Authority, Shannon Free Airport Development Company and county development teams.

The YEA has allocated **one million Irish pounds** to the programme in 1983.

EUROPEAN COMMUNITY: Local dynamics of small-scale job creation

Following research on the performance of small and medium-sized enterprises and workers' co-operatives, the Commission services conducted some twenty consultations on local employment initiatives throughout the Community.

As an immediate follow-up to those activities, the Commission has adopted a communication on the contribution of local employment initiatives as part of the Community Action Programme to combat unemployment.

The Commission's Work and Findings

The Commission decided on a fact-finding approach to the organisation of local consultations.

The main objective of the consultations was to give 'practitioners' of new initiatives and other key informants at the local level the chance to describe their work and reflect on their performance and the sort of national or Community-level support that would unlock its full potential.

Practical aims were to provide information, ideas, expertise and technical support mechanisms in launching projects, but also data relevant to policy makers on the potential contribution to employment of different approaches and the factors constraining their use.

Some twenty local consultations were held throughout the Community and ranged in numbers from 25 to 125 participants. The majority of participants were those actually engaged in or planning new local initiatives, while the balance consisted of officials, elected representatives and persons from the social partners whose interest and support is essential to the promotion and success of local employment initiatives.

From the start of the local consultations, however, the focus has been on longer-term sustainable employment and initiatives, locally planned and managed.

The Main Findings

- A rich variety of initiatives is being undertaken locally to create employment in many different types of areas: inner cities, suburbs, small towns, villages and rural areas. Most comprise less than 15 persons often providing employment for five or less;
- local employment initiatives take a variety of different institutional and legal forms;

- local prime movers play an all-important role. Prime movers are a very heterogeneous group, covering a variety of local or regional government or other bodies;
- many local initiatives are similar to traditional modes of employment, management and production, but there are others which are innovative and deliberately set out to create 'alternative' patterns of employment which have both social and economic goals;
- local employment initiatives engage in many different activities, but a majority provide employment through the provision of services rather than the manufacture of products.

The consultations have revealed the key role played by new specialist agencies (government-sponsored or based on self-help) known as 'development agents' or 'development agencies'.

Other conclusions

- Local employment initiatives need to be publicly recognised and accepted as valid contributions to the goal of employment creation if they are to develop and if others are to be encouraged to follow the same route;
- new concepts of training and learning, systems of financial support, and provision of premises have to be developed for these entrepreneurs-co-operators;
- systems of information exchange on local initiatives have to be developed at local, regional, national, and European level.

Special categories of workers

FRANCE: Programme for the long-term unemployed (4th or 13th month)

The programme to help the long-term unemployed carried through by the public authorities between September 1982 and March 1983 (see inforMISEP no. 2) gave rise to a certain number of actions contributing to the vocational reintegration of job-seekers who have been on the ANPE register for more than one year.

This experimental programme showed up the aggravating effects of long-term unemployment as a factor of social exclusion. This is why the public authorities and ANPE decided to bring in a policy for preventing long-term unemployment by extending the actions experimented with during the pilot programme to all job-seekers who have reached their fourth or thirteenth month of registration at ANPE.

Set up in May 1983, this programme of talks will gradually come into force so as to be fully developed by 1985 when all job-seekers reaching their fourth or thirteenth month of registration at ANPE will have a face-to-face follow-up talk.

As in the experimental programme, these talks must lead to actions which can contribute to the person's vocational reintegration, taking due account of his/her

need: courses in job-search techniques, evaluating vocational abilities, upgrading courses, etc. These services are provided to job-seekers through a network bringing together the contributions of ANPE, AFPA (the adult vocational training association) and other bodies, notably the ministry of education.

The organisation of ANPE's action is based on a **team of technicians** within each ANPE local or regional unit, of at least a vocational adviser and a "prospecteur placier" (search and placement officer) together with an officer in charge of relationships with enterprises wherever possible. This team will:

- call in the job-seekers concerned who will have been spotted, in a phase which will be progressively introduced, on the level of the unit;
- meet these job-seekers and draw up the strategy to be followed to facilitate their integration (vocational adviser or search and placement officer);
- follow up the actions undertaken.

ANPE will take on implementing the techniques for job-search and a part of the sessions on in-depth guidance. Evaluations on the level of vocational ability, based notably on practical tests, will be carried out by a competent outside partner (notably AFPA or the ministry of education).

ANPE has been given the following **resources for this programme**:

- for 1983: a supplementary budget contribution of 17m francs;
- for 1984 (forecast): a staff increase of 420 and a budgetary contribution of 120m francs.

GERMANY: Bill for the return of migrant workers

The federal government has decided on a bill for giving help for a limited period of time to foreigners willing to return home. The purpose of the bill in circumscribing the target group of foreign workers to be encouraged is on the one hand to avoid the danger of a high take-up effect and, on the other, to provide foreigners willing to return home with a clear picture of the allowances they can count on. The cabinet decision now provides ample bases for deciding on a possible return. Obviously, every foreigner is completely free to decide whether or not to avail himself of the allocations to return home.

Integrating foreign workers and their families wanting to live in the Federal Republic is, and will remain, the main task of German policy towards foreigners. Such a policy can only be achieved by limiting the number of foreigners. Today there are some 4.6 million foreigners in the Federal Republic (see inforMISEP No. 0 for further details), including 2 million workers. On the other hand, there is a growing number of foreigners who, because of the increase in unemployment among foreigners, would be ready, under certain conditions, to return home. In this, one of the most decisive aspects is the financial situation. So granting financial incentives is an appropriate starting point to raise their willingness to return home of their own accord. This help must, however, be linked to strict conditions so as to ensure that the take-up effect is as limited as possible.

The **individual measures** decided on by the federal government to encourage return are as follows:

- Workers from Korea, Marocco, Portugal, Spain, Tunisia, Turkey and Yugoslavia can receive help to return home. It is conditional, however, on their being unemployed following bankruptcy or a firm closure or having been affected by short-time working for at least six months. The return allowance amounts to DM 10,500. For each child the Federation pays an additional DM 1,500. Only children who entered the Federal Republic before June 1, 1983 are taken into consideration. The basic payment of DM 10,500 is reduced from the second month following the fulfilment of the conditions: by DM 1,500 per month started for the unemployed and by DM 750 for those working short time. The payment of a return allowance is dependent on the permanent return of the family as well.
- Returning foreign workers from the countries indicated above should be able to draw on their savings deposits encouraged by the state, such as savings contracts with a building society, savings agreements, or tax deductible life insurance schemes before they mature without losing the special rates offered by the state.
- Returning foreigners should have the possibility of receiving immediate refund of the employee contributions from the pension insurance. The condition in this respect is, however, that they, accor-

ding to the law in force, already qualify for a refund of their contribution to the legal pension insurance after a waiting period of two years. This regulation concerns especially Portuguese and Turks.

- For those foreign workers returning home who make use of the refunding of their contributions to the legal pension insurance it should also be possible to receive compensation for unexpired claims from the corporate old age pension schemes and from the complementary provisions of the public service.
- The return allowance and the premature refunds of contributions will only be allowed until the end of June 1984, with applications being made by June 30, 1984 and the Federal Republic having to be left by September 30, 1984. All privileges are dependent on permanently returning home and naturally cannot be claimed before the legal regulations come into force.

The **costs of this scheme** for the Federal Government will amount to DM 60 million in 1983 and DM 220 million in 1984. There will be a liquidity strain on the pension insurance through the premature withdrawals of credits of DM 680 million overall. Compared with these expenditures there will be significant savings, however, for unemployment benefits and family allowances as well as, in the longer run, the old age pension insurance.

In addition to the granting of allowances for returning home, foreigners should be advised by the Federal Employment Institute or other appropriate bodies on the general conditions for return as well as on the possibilities for vocational integration including becoming self-employed in their home countries.

The bill is at present going through parliament. It is expected to come into force in the middle of December 1983.

IRELAND: Assistance to young people to set up their own business

The Youth Employment Agency (YEA) and the Bank of Ireland (a commercial bank) have developed a programme aimed at assisting young people who want to set up a business for themselves by enabling them to obtain a bank loan without security, or a 'track record'. This pilot **Youth Self-employment Programme** of two years' duration, is one of the agency's job creation schemes. The **main features** of the programme are that:

- eligible applicants must be between 15 and 25 years of age, unemployed for at least three months and have a sound business idea;
- projects must be commercially viable and not already have received any bank finance. They can be in any sector of the economy;
- maximum loans offered will be three thousand Irish pounds per person, repayable over three years, at the normal bank lending rate and repayment conditions. Persons receiving the loans will remain eligible for other support grants and services;
- a condition of the loan will be that the recipient ceases to draw unemployment benefit/assistance and registers for value added tax and pay-related social insurance.

The YEA will guarantee 60 per cent of outstanding capital payments on individual loans offered under the programme. No additional guarantee, security or collateral will be required from the promoter or from the promoter's relatives. The Bank will assess the proposals put to them and will assist the young promoters to develop their ideas. They will then be put in touch with other relevant agencies if necessary.

IRELAND: Provision of training for the older long-term unemployed

AnCo - the industrial training authority - is taking steps to attract a greater number of older unemployed workers into training.

One of the courses ('Fresh Start') is specially designed by its External Training Division to meet the particular training needs of the older and longer-term unemployed. It aims to develop their motivation and self-confidence as much as their skills. It is expected that nearly 1,000 people will have participated in this programme by the end of 1983.

AnCo's training centres are furthermore to relax entry requirements and simplify recruitment procedures for older unemployed people for whom they will also provide 'introduction' modules. In addition, training opportunities open to the older unemployed will be the subject of special promotions carried out through all available media.

ITALY: The handicapped

Modifications to the legislation in force were made by the law by decree no. 463, art. 9, of September 12, 1983.

- Pending reform of the regulation on obligatory employment, the provincial labour and employment offices have - before providing work to beneficiaries of the law no. 482 of April 2, 1968 and subsequent modifications - to make these beneficiaries undergo a medical by the competent health authority in order to check that their disablement persists.
- Persons who do not undergo the medical referred to in the preceding paragraph will be crossed off the lists under article 19 of law no. 482 of April 2, 1968.
- Workers who have found employment through the ordinary placement system and who are recognised invalids for professional reasons are taken into consideration for the purpose of covering the percentage of the total hiring requirement referred to in article 11, first paragraph, of law no. 482 of April 2, 1968, provided the invalidity is such as required by this law.
- The provision foreseen in article 9, last paragraph, of the law no. 482 of April 2, 1968 is not applicable.

LUXEMBOURG: Incentive to employ the long-term unemployed and job-seekers who are particularly difficult to place (RGD of August 25, 1983)

According to a special decision of the National Employment Commission a long-term unemployed person is a job-seeker who has received unemployment bene-

fit for more than 365 calendar days. They are persons who are particularly difficult to place because of their age, physical or mental disability or other serious circumstances.

A person who is difficult to place is a job-seeker registered at the Employment Administration for 15 years or more, anyone aged at least 55, anyone who is at least 30 per cent incapacitated to work or anyone having particularly serious circumstances inherent to his person.

Hiring the wage-earner must be done through an unlimited work contract and the job must consist of at least 20 working hours per week. The right to the incentive premium is obtained by the employer after the worker has held the job for an uninterrupted period of at least 12 months.

The amount of the premium has been fixed at 200 per cent of the reference minimum social wage.

UNITED KINGDOM: The Careers Service

In Great Britain local government has the duty to provide a Careers Service i.e. a free vocational guidance service for young people attending educational institutions (other than universities) and a free employment service for those leaving them. The Secretary of State for Employment gives general guidance to authorities in England on the conduct of their careers services and oversees their operation on behalf of the central government. (Similar arrangements apply in Scotland and Wales).

The **main functions** of the Careers Service are:

- to work with careers and guidance teachers in schools and colleges in the careers education of young people, and to provide them and their parents with information on educational, employment and training opportunities;
- to give continuing vocational guidance to pupils and students in their later years at school or college, and to help them reach informed and realistic decisions about their careers;
- to help young people to find suitable training and employment and employers to find suitable workers; and
- to offer help and advice to young people on problems connected with their settlement in employment.

In recent years the Careers Service has made an important contribution to the special measures which were introduced by central government to combat rising youth unemployment. The Service will continue to play an important role in the new **Youth Training Scheme** which was introduced in April 1983 and became fully operational in September 1983. The new Scheme offers school-leavers up to a year of high quality training and work experience and the Careers Service will offer advice on the type of opportunities required, act as a source of recruitment for young people entering the Scheme, be available to give guidance to young people while they are in training and assist them to find further work and training on completion.

EUROPEAN COMMUNITY: Equality of opportunity action programme

The new action programme of the European Community on promoting the equality of opportunity of women (1982-1985) envisages the continuation of the action for diversifying the vocational choices of girls. This should be achieved through better flows of information on, on the one hand, trades leading to jobs and school and apprenticeship structures and, on the other, the renewal of national experiments in this area.

To these ends, a group of informants on equality of opportunity in education and training has been set up. Its membership includes independent national experts.

During the first meeting of the experts which was held on September 13, 1983, their tasks were clarified as follows:

- to analyse the working of education, guidance and training systems and to point out the gaps and the impediments to girls entering all types of training;
- to design actions suitable to bring about significant changes involving a sufficiently large number of people not to remain at the pilot experiment level.

Particular attention should be given to assignments in the area of new technologies.

EUROPEAN COMMUNITY: Action for women

In November the Commission adopted a proposal for a Directive on parental leave and leave for family reasons. The proposed Directive is designed to ensure that both male and female workers in the Community are entitled to certain minimum periods of leave to take care of young children and to deal with home emergencies. This new Directive will also ensure that the Directive of equal treatment for men and women (76/207/EEC) is respected as all workers will have the right to take leave on these grounds, while maintaining their rights with regard to social security and with a guarantee of re-employment at the end of the period of leave.

The Directive provides for the possibility of a parental leave allowance to be paid during the period of leave from public funds rather than from the employer. The introduction of this allowance is not obligatory, given the different economic circumstances of Member States, but is to be encouraged.

Working time

BELGIUM: Working time in the construction industry (AR no. 213)

The creation of an Employment Fund to assign the outcome of wage moderation for creating jobs was outlined in informMISEP no. 2. A preliminary evaluation of the results of the agreements reached at the industry and enterprise levels is given on page 3.

It proved impossible to conclude such an agreement in the construction industry. However, taking account of the great efforts made by the other industries and enterprises of the economy as regards using the outcome of wage moderation, it was impossible for nothing to be achieved in a threatened industry such as construction whereas its rampant short-time working is a considerable burden on the budget of the unemployment insurance system.

Royal decree no. 213 aims to fill just this gap by imposing a reduction of working time on the construction sector. This is based on the special powers which have been given to the government.

This reduction will be achieved not by a reduction of the weekly hours of work which could disorganise the workings of sites during the good season, but by giving days off during the winter season. In this way construction workers will have the right to four rest days in 1983 and six in 1984. These rest days are fixed as follows:

- in 1983: December 27, 28, 29, and 30
- in 1984: December 21, 24, 26, 27, 28, and 31.

Remuneration for these days, which corresponds to unemployment benefit plus a supplementary allowance, is financed by employer contributions to be paid to the "Security of Existence Fund" of the sector and is settled by the bodies entrusted with paying security of existence allowance.

On the other hand, with a view to reducing part-time working following from periods of excessive overtime, new rules have been brought in: provided there is previous agreement by the "trade union delegation" (the shop stewards' committee), the limits of the legal duration of work can be exceeded by 64 hours a year during the summer period or during a period of intense activity by one hour a day, paid at the normal rate; however, during the six months of the period in question compensatory unpaid rest days have to be given.

NETHERLANDS: 32-hours jobs/Promotion of part-time work

The 1982 government agreement has drawn attention, among other things, to introducing 32 hour (per week) jobs for younger people into the Civil Service.

Departments should convert 30% of their full-time jobs into maximum 32-hour week part-time jobs. The conversion takes place as soon as the assigned position is externally advertised; in other words, each position for which experience is not required must in principle be considered for assignment by the department regardless of the training level it requires.

Since promoting **part-time work** can also contribute to redistributing employment, the Minister of the Interior has again strongly requested:

- to allow staff who so wish to work part time, if no unsurmountable drawbacks result from this for the service or for other staff members; and
- to systematically examine whether new positions cannot also be filled by two or more part-timers and if so to bring this out when reporting the vacancy.

EUROPEAN COMMUNITY: Working time

On 16 September the Commission adopted a draft recommendation of the Council on the reduction and reorganisation of working time. This draft recommends the Member States to acknowledge the following policy aims:

- to bring about a reduction in individual working time, combined with its reorganisation, sufficiently substantial to support the positive development of employment, under conditions which safeguard competitiveness as well as basic social rights;
- to limit more strictly systematic paid overtime and increasingly to compensate necessary overtime by time off in lieu rather than by additional payments.

The Commission takes the view that the policy frame-

work at the European and national level should take account of the specific situation in each Member State and allow for the necessary degree of differentiation according to sector and type of enterprise. Quantified targets for the reduction of working time, on which collective agreements at different levels could be based, should be fixed, where appropriate, at the national level. It is also underlined that the reduction and reorganisation of working time should result in the more efficient and flexible utilisation of capital equipment, in particular, where applicable, by lengthening production time. The role of government in this matter should be, among others, to support, where necessary, the efforts undertaken in this area and which achieve new recruitments by a financial contribution on a temporary basis and, as the biggest employer, to gear its policy towards the reduction and reorganisation of working time.

Placement

FRANCE: Computerised management of job-seekers (GIDE)

Computerising the national employment agency (ANPE) is a central element in the design of the overall computerisation plan of the Public Employment Service. Its aim is, through the integrated computerisation of its constituent elements (the "départementale" Directorates of Labour and Employment, ANPE and AFPA: the association for adult vocational training), to:

- improve the quality of the services given to the users -employers and job-seekers - by simplifying procedures and improving information on services they can expect;
- ensure better linkage between the elements of the Public Employment Service, notably for developing the follow-up of employment policies.

This is the background to the blueprint for computerising ANPE which has been drawn up by its Council. Various stages are set out dealing both with the operational area (handling supply and demand and enhancing placement) and with internal management (personnel management, managing financial and accounting operations, etc).

Operational computerisation

Because of the strong growth in the number of job-seekers since 1974, the manual handling of the files of job-seekers registered at ANPE is now a major obstacle to the effectiveness of the Agency's actions. This is why the IX Plan gave priority to bringing in, in 1984 and 1985, the computerisation of management of job-seekers drawing at the outset on the available computer resources of the bodies paying the unemployment allowances (the ASSEDICs). To this end, an agreement was signed between ANPE and UNEDIC on July 25, 1983 setting out the terms of co-operation between the two bodies during this first stage.

The resources foreseen by the IX Plan enable the GIDE (computerised management of job-seekers) to be generally available at the end of 1985 with the computerisation of the most important third (230) of ANPE's local agencies in 1984. By the end of 1984, half the job-seekers will be covered by these new arrangements. Computerisation will significantly ease the administrative tasks carried out in the agencies (notably real time access to registrations and elimination of much paperwork) by improving the service to the user (replacing physical registration each month by updating demand by correspondence; bringing in bi-products improving the information level of the users; accelerating payments) and administrative efficiency (reducing amounts incorrectly paid by the bodies entrusted with unemployment benefits).

The resources available in 1984 for this programme are 38 new jobs for computer specialists, 62.7 million francs for equipment and 47.5 million francs for operations.

The experimental programmes, which are a part of the **computerisation of ANPE itself**, are continuing in parallel to this first set of applications:

- computerised aid to placement by handling all job offers in a single employment basin (the SAGE experiment in Upper Normandy); and
- the experimental integrated computerisation project within the Public Employment Service.

Computerised management

This concerns mainly setting up computerised personnel management, computerised management of real estate leases and the computerised management of accounting and financial operations.

GREECE: New employment offices

Traditionally, the main task of OAED, the national manpower organisation, has been to help workers and particularly to place the unemployed in job vacancies. To enhance its task of matching labour supply with demand, it has established new employment offices.

The specialised staff manning these offices have a dual task: on the one hand, to inform job-seekers - especially the young - of new developments and trends in the labour market as regards new skills and professions, and to provide them with vocational guidance on vocational training or re-training; on the other hand, to examine with employers the possibilities of creating new jobs, pointing out the various financial incentives available for hiring special categories of the unemployed, such as the handicapped and young people. The new offices are connected to a central computer which stores both job vacancies and job-seekers, thereby providing immediate matching.

NETHERLANDS: START in 1983

START is a temporary employment agency. In the past year it helped 24,259 people to find temporary work. That is almost double the number of 1981, when START made 13,407 placements.

In 1982 persons with limited chances of finding work had more attention paid to them. A good third of placements dealt with women, and 63% of the persons who were given a job were younger than 25 years of age.

Miscellaneous

GERMANY: Duration of unemployment

The duration of unemployment has further increased. Unemployed persons who came off the unemployment register in early 1983 had been unemployed for at least seven months on average. This is shown by an analysis of persons coming on and off the register and of vacancies made by the Federal Employment Institute. The figures for 1980, 1981 and 1982 were respectively five, five and six months.

The chances of the vocationally qualified finding employment again remain better than of those having no vocational qualifications. For workers who have gone through a company apprenticeship the average length of unemployment in early 1983 was six and a half months and for those with no vocational training, eight months.

There were more vacancies registered during the survey period than in the previous year above all for skilled workers. The job supply also rose for senior white-collar workers. On the other hand, there was a continuing decline in the vacancies for unskilled workers.

Vacancies can now be filled even quicker than a year ago. The key to this is primarily the high number of the unemployed compared with the limited demand for workers. But there is also an influence of the more intensive efforts of the placement services to ensure rapid balance on the labour market. For all outgoing vacancies which were filled by the placement services of the labour offices, the average time taken fell from 18 to 16 days, compared with 30 in 1981. Only 2 per cent of these outgoing vacancies took three months or longer to fill.

The labour offices make greater use of the vacancies they are notified of now than in previous years. 79 per cent of the outgoing vacancies were filled by placement services compared with 75 per cent the year before and 68 per cent in 1981.

NETHERLANDS: The labour market in 1983

A report on the labour market in 1983 sets out by analysing the continuing **increase in unemployment** which has been growing at a worrying speed since the beginning of 1980. For 1983 the average number of unemployed job-seekers is estimated at about 800,000, i.e. some three times the average for 1979 (280,000). The rate of unemployment rose in the same period from 6.5 per cent to some 17 per cent.

Usually when considering unemployment, the starting point is the number of persons registered. However, **hidden unemployment** should not be forgotten. Thus there are 17,500 people (end of July 1983 estimate) who are looking for an activity of less than 20 hours a week. Then there are job-seekers who have not officially registered which the Central Statistical Office

estimated in 1981 to number some 97,000. Furthermore, by no means all of the disabled who are in the position of accepting suitable work registered as job-seekers. The estimations of the unemployed component of the AAW/WAO range very widely. Finally, there are the 'discouraged workers' who are no longer looking for work because of the bad labour market situation.

There has been a proportionately sharper increase in the **duration of unemployment of young people** (up to the age of 22 years). Apart from that, the proportion of youth in the total numbers of unemployed has dropped somewhat since 1981.

According to the **level and type of training**, in 1981 and 1982 unemployment has risen most in those holding lower and medium technical education certificates. This is connected with the sharp decline in employment in industry and above all in building.

In spite of the extent of unemployment, there is talk of great **dynamism on the labour market**. Although it is true that in the last years the labour offices have had to enrol an increasing number of persons (up to 900,000 in 1982), the number of people going off the register has also been rising each year (up to 700,000 in the past year). Because of the constantly declining chances of finding work, the expected length of remaining on the unemployment register has risen by 60 per cent between 1980 and 1982.

Employment

For the third year running there will be a decline in employment in 1983 by some 90,000 working years. In 1982 there was a decline of 115,000 whereas in 1981 the figure was 65,000 working years.

The decline in employment is caused by stagnation in production as a consequence of the international recession and by declining domestic expenditure. The consequences of this are further exacerbated by a continuing increase in productivity, although this is smaller than in the 1970s.

It is noteworthy that the average length of time worked after a practically uninterrupted decline, rose in 1980, 1981 and probably also in 1982 in spite of an increase in part-time work. This is explained by a decline in sickness absenteeism in these years.

In the last few years, particularly in 1980 and 1981, the number of job vacancies has dropped considerably: 15,000 vacancies at the end of 1981 with a historical minimum of 9,000 in 1982 and 1983.

The number of registered vacancies does, however, give too somber a picture of the possibilities which there still are of finding work. In the first place not all vacancies are reported to the labour offices, but above all the supply is so great at present that vacancies are filled considerably faster than has previously been the case.

Rough currency conversion rates

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

● Belgium	46 Bfrs
● Denmark	8 DAKs
● Germany	2.3 DM
● Greece	80 Drx
● France	6.9 FF
● Ireland	0.72 IR£
● Italy	1350 Lit
● Netherlands	2.5 Hfl
● United Kingdom	0.58 UK£

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