

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 (iM) 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). No statistical information is provided, readers being referred to the various Eurostat publications. The present issue covers the following areas:

Overall developments

Greece: New bodies; **Spain:** Reforming Public Employment Service; **Netherlands:** Activating labour market policy.

Training

Greece: Vocational training agreement; **Spain:** Reforming technical vocational training; **France:** New training allowances system; **Portugal:** Vocational training priorities; **United Kingdom:** Training compacts; Vocational qualifications' credits; Employment Training programme.

Job creation

United Kingdom: Loan Guarantee Scheme.

Special categories of workers

Belgium: Flemish LTU plan; **Germany:** Girls' vocational counselling; **Spain:** Youth contracts evaluated; **Netherlands:** Positive action for women; Employment of ethnic minorities.

Placement

France: Decentralising ANPE; **Netherlands:** Labour market administration bill; **Portugal:** Adapting to SEDOC.

Miscellaneous

Belgium: Minimum wage revised; **Germany:** Social security card; **Netherlands:** Survey of the unemployed; **United Kingdom:** 1988 Employment Act.

Centrefold: Social security exemptions for the purpose of employment creation or maintenance

Developments at a glance

Belgium	The Flemish Executive is bringing in the four-year TOP-plan for re-directing employment and training actions increasingly towards the long-term unemployed and those with little or no training (p. 12). Collective labour agreement no. 43 raises the guaranteed average monthly minimum income to BF 34,050 (p. 17).
Germany	Particular efforts are being made by the vocational counselling services to help young girls enter traditionally male occupations (p. 13). To fight illegal employment practices, the government intends to introduce a social security card and to alter other social laws (p. 18).
Greece	New bodies are being created aimed at overcoming the structural inflexibilities of the Greek labour market (p. 3). A new collective agreement provides for a 0.2% contribution for vocational training (p. 5).
Spain	The government has put forward proposals to reform the public employment service into a twin structure of employment-and-skills-promotion and integrated-employment offices, and to establish at the same time an economic and social council (p. 3). The proposed reform of technical-vocational training - after compulsory schooling has been raised to the age of 16 - is based on a dualistic concept with three levels of modular training (p. 5). An evaluation has been attempted of the impact of the 1985 decree encouraging the employment on open-ended contracts of under-26s whose unemployment rate has dropped (p. 14).
France	A new system of training allowances has been brought in managed by UNEDIC (p. 6). Following the 1986 reform of ANPE, more decentralised management structures have been introduced (p. 15).
Netherlands	The government is streamlining a series of schemes for the long-term unemployed into a single <i>WER</i> , liberalising employment agencies, considering the impact of remuneration and introducing a tri-partite employment service structure (p. 4), the subject of the Bill on the administration of the labour market (p. 16). Positive actions for women are being grant-aided by a new scheme running till 1993 (p. 14), while those for ethnic minorities draw on existing schemes (p. 15). A survey of the registered unemployed shows that almost 30% have a job and 10% are not available for work (p. 19).
Portugal	Priority criteria have been defined for grants for vocational training in 1989 (p. 7). SEDOC, the Community system of transnational placement, has been adapted to Portuguese realities (p. 17).
United Kingdom	Training compacts are agreements among employers, schools and young persons to better match training to the skills needed in employment (p. 7). A new system of credit accumulation towards vocational qualifications has been set up (p. 8). The £1.5bn Employment Training programme is offering start-up funding for training agents (p. 9). The Loan Guarantee Scheme is being extended to encourage small firms in 16 inner city areas (p. 9). The 1988 Employment Act reforms industrial relations and trade union law and makes new arrangements for employment and training (p. 19).

Overall developments

GREECE

Employment promotion regulations

The Ministry of Labour has prepared a bill for submission to Parliament aimed at overcoming the structural inflexibilities of the Greek labour market.

Its main provisions seek to introduce a more active policy through the modernisation and extension of the range of mechanisms involved in the labour market. The measures to be applied call for the establishment of:

- * a Labour Institute. Its purpose will be to promote training and re-training in general as well as to enable scientific research and studies to be undertaken on labour and employment issues;
- * commissions for employment and vocational training within each region of the country in which the social partners are involved. These commissions will plan relevant actions on their local labour markets within the framework of overall economic policy;
- * new educational units controlled by *OAED* but operating under private sector regulations;
- * a central commission for coordinating vocational training in all areas of economic activity in Greece. This commission will be responsible for implementing a unified vocational training policy.

SPAIN

Negotiating *INEM's* reform

The **General Council of *INEM***, the national employment institute, is composed jointly of representatives of public administration and of the most representative employers' and trade union bodies. An extraordinary meeting of the Council was convened on 8 July 1988 where the Ministry of Labour and Social Security put to the social partners the main thrusts for reforming *INEM*. These would strengthen its position as a key instrument in combatting unemployment. This reform corresponds to the priority given to employment policy in the governmental programme.

Reforming *INEM* is taking place in an economic context favourable to net employment creation; but this context will generate greater demands stemming from the emergence of new technologies and the increasing competition facing Spanish enterprises on the national and international market for goods and services. Thus the problem of unemployment linked to the probable increase in the working population will, over the coming decade, give rise to a series of needs which *INEM* will have to meet.

Such is the background to the reform, the main thrusts of which are the following:

- a) developing systems for vocational assessment and guidance;
- b) improving the quality of basic and recurrent vocational plans and programmes and their integration within the service;
- c) creating and developing permanent services for detecting the needs as regards manpower and vocational skills;

d) strengthening and opening up placement and guidance services as well as making known employment promotion schemes;

e) setting up a system of actively managing employment benefits to avoid demotivation of the unemployed and to discourage fraud.

To meet these challenges, the following is needed:

- * greater individualisation of the service;
- * debureaucratisation of the functions to enable rapid responses to be given according to demands and needs;
- * adaptation to the environment; and
- * strengthened coordination with other initiatives from either public administration or private bodies.

Another aim of the reform is to increase the involvement of the social partners in monitoring the Institute's management through the General Council and the Executive Committees of the provinces. In parallel with this, the creation of the **Economic and Social Council** will ensure that there is an overall consultation and concertation body for social policy which will circumscribe more clearly the functions of the General Council of *INEM*.

To ensure that the reform in question achieves the hoped-for results, on the one hand the employment offices must become elements which really do link and integrate the functions of *INEM* and, on the other, specialised units have to be created for promoting employment and enterprise as well as for coordinating locally the initiatives of the employment offices and the training centres: *OPECs* (*Oficina de Promoción del Empleo y de Cualificación*).

***OPECs* - employment and skills promotion offices**

The aim in creating *OPECs* is to provide a framework for and to coordinate the entire network of employment offices without at any time substituting for them.

The functions of an *OPEC* are

- a) to coordinate employment management on specific local or vocational markets within the overall labour market, and to direct the task of prospecting this labour market;
- b) to direct a number of employment offices with which it will have on-going contacts, ensuring their coordination in areas of the *OPEC's* competence; to link the employment offices, *INEM's* training centres and those recognised by *INEM*; and to keep tabs on courses by constantly updating the lists of recognised centres and experts/teachers.
- c) to obtain, for the continuing canvassing of the market, the requisite information from enterprises and training centres for programming its activities;
- d) to stimulate and coordinate activities with other public authorities, mainly the municipal authorities and the autonomous communities;
- e) to take on the following tasks:
 - * to provide and disseminate information and advise on employment promotion measures
 - * to support corporate start-ups and existing enterprises by providing them with information and advice on what needs to be done for new corporate projects
 - * to manage the funds earmarked for *INEM* collaboration agreements with the different public authorities relating to the temporary recruitment of unemployed persons for carrying out community works and services

* to monitor the objectives and the evaluation of the results of different programmes.

Integrated employment offices (*Oficina integrada de Empleo*)

The main thrust of the reform concerns the employment offices: a much greater integration of the tasks is foreseen both within each office and between the office and its environment. This integration focuses on four main areas:

- a) the integration and specialisation of personnel to ensure a regular updating of the knowledge of *INEM* officers working in each office;
- b) computerisation so that complete computerisation of all the offices will be achieved in the short term and, within them, of their four main functions (assessment-placement, vocational training, employment contracts and benefits);
- c) coordination with the *OPEC* with a view to facilitating, through computerisation, the coordination and updating of files;
- d) integration with the environment and the local social services.

In short, *INEM* offices need to be designed as integral units seeking to provide a diversified service meeting the needs of the user through trying to find solutions adapted to each individual case.

The broad outline of *INEM*'s reform described above will be discussed and fleshed out over the coming weeks during meetings with the most representative trade union and employers' organisations.

NETHERLANDS

Activating labour market policy

The government has decided to streamline a series of schemes aimed at providing the long-term unemployed with work experience. This follows a recommendation to this effect from the *WWR*, the scientific council for governmental policy. Three schemes providing wage subsidies for LTUs are involved:

- * *MOA* (the scheme to support integration into working life),
- * *JOB* (the temporary work experience programme for long-term unemployed youths) and
- * the *Vermeend/Moor* law.

They are now being brought into a single scheme on work experience - the *werkervaringsregeling* - *WER*. The youth employment guarantee scheme (*JWG*), will not be incorporated because of its special character for guaranteeing work experience to all young people up to the age of 20.

WER is intended for persons who have been unemployed for two or more years. The amount and the duration of the wage subsidy will vary according to the length of unemployment. The precise nature will be worked out in consultation with the social partners. The government has not taken up the *WWR*'s suggestion that the social partners should reserve a part of the existing jobs for providing work experience to the long-term unemployed and women re-entering the labour market; this would simply result in job displacement.

The importance of training

The *WWR* report pleads for intensifying training for workers and jobseekers. The government believes that this is quite right and accordingly has earmarked HFL 250m for additional training. The expectation is that this money will enable a further 20,000 jobseekers to be

reached annually, raising the total number of jobseekers trained annually to 120,000.

In as far as money is available within this sum, a part of it should be earmarked for fostering training for workers and entrepreneurs/employers in the area of technology in small and medium-sized firms. The government believes that the more detailed design of the measures should be the outcome of discussions between employers' and trade union organisations.

The types of training measures being considered are:
* broadening the basic education and *PVBE* (non-advanced vocational education for adults), particularly for the benefit of minorities;

* stimulating training jointly for jobseekers and workers, industry by industry, for instance in the form of training pools;

* strengthening the apprenticeship system, notably through further raising the age limit under the *BVJ* (the youth vocational training subsidy regulation) to 27 years.

Unskilled workers

The government has noted that because of relatively high wage costs much unskilled work has disappeared or is in the process of rapidly disappearing. But not everyone is capable of becoming more highly qualified. The government considers that the size of the minimum wage is of considerable importance for maintaining and increasing employment for this part of the labour force.

The government has announced that it will be making further proposals in the near future relating to the income of young persons. The first will concern how the allowances of young persons need to be adjusted so as to bring about more cohesion between the various financial schemes for groups of young people. Subsequently, the government will review the legal minimum wage protection for young people.

Employment agencies

The *WWR* recommends that greater scope be given for individual initiative and for-profit organisations in matching labour market supply and demand. In this respect, the government notes that non-profit and for-profit placement can make important contributions and that they will be permitted under the new law on the administration of the labour market (*Arbeidsvoorzieningswet* - cfr. article below); but such agencies should continue to be licensed so that it is possible to monitor what is happening.

To achieve the best possible results for the most difficult group on the labour market, i.e. the long-term unemployed, the government believes that for-profit temporary employment agencies can play an important role. Just what role, will be the subject of consultation with them. The public employment offices should play a pivotal function in job placement under the proposed tripartite regional bodies.

On another matter, the government and the *WWR* have differing opinions: the requirement of jobseekers to register at the employment offices. The government believes that this must be maintained because the cooperation of the employment office in job placement proposals constitutes in fact the most important test for the benefit payment offices of the job search behaviour of their clients. In the recent past this has led to cooperation and exchange of information being intensified between the employment offices and local social services/*bedrijfsverenigingen* (private industrial bodies executing social insurance in the Netherlands).

Long-term unemployed

The government has stated that it will continue to push

forward with its decision to give all who have been unemployed for longer than three years a reorientation interview. HFL 41.5m has been earmarked for this annually, which includes making money available for recruiting an additional 250 placement officers. The scheme should be fully operational from 1 January 1989 so that 45,000 LTUs per year can be reached. These intensive personal contacts should bring about a positive contribution from the long-term unemployed. Should persons not react positively to the suitable work, suitable training or suitable work experience proposed, then the existing rules as regards sanctions should be strictly applied.

Social partner involvement

The government believes that an active labour market policy can only be successful if the social partners are fully involved. In this context, the government has stated that it is important for the public authorities and the social partners to jointly bear responsibility for labour market policy when the new law on the administration of the labour market comes into force.

The government and the *WWR* both consider that **labour mobility** needs to be fostered. For the government

this means primarily the adaptation of regulations as regards employment contracts, working time and pay. The government has called for views on flexible employment relations and the revision of the law regarding dismissals. To meet the need for flexible employment relations, the government considers that it will be useful to explore the idea of establishing "**employment pools**" in a number of industries or regions. Jobless and jobseekers enter the service of a pool and are drawn on as and when the need exists for the temporary use of workers (because of sickness, peak periods, etc). The advantage of an employment pool is that the participating workers are provided with reasonable legal security as regards income and legal status whereas the individual employer retains flexibility.

Finally, the government points to the importance of greater **differentiation in remuneration**, the limitation of the collective burden of taxes and the restriction of income-related regulations. Such aspects are considered by the government ultimately to play an important role in the actual behaviour of workers and jobseekers on the labour market.

Training

GREECE

Provisions for encouraging vocational training

An innovatory provision on vocational training was brought into the national collective agreement which was signed on 26 January 1988 and ratified by Act no. 1766/88.

Under article 6 §2 of this agreement, employers will pay a new contribution of 0.2% for vocational training which they, or relevant *OAED* (the manpower services commission) centres, carry out. This provision indicates that workers and employers have understood the role which vocational training plays in employees' employment opportunities and career development as well as in corporate productivity.

SPAIN

Reform of technical-vocational education

The Ministry of Education and Science published in February the document "Draft reform of technical-vocational education: Proposal for debate". This fleshed out this educational sub-system which had been outlined in the July 1987 document "Educational reform project" and thus completes the overall proposal for reforming non-university education. Compared with the current situation, which stems from the 1970 General Education Act, technical-vocational education has been the area undergoing the most substantial reforms.

The background

The starting point for the proposal is the diagnosis the document makes of the current situation. The system now operating was seen to be operating badly shortly after having been brought in (though it has been signifi-

cantly improved over the past few years, particularly at the second degree level of vocational training). The following points were stressed:

- * The too early choice which children have to make at the end of compulsory schooling (at age 14) between continuing general secondary education (*Bachillerato*) and vocational training. The latter is the sole opening for children who do not have their primary school leaving certificate (*Grado Escolar*). This has had a negative impact on the perceived value of vocational training, considered a lower quality option. This was one of the most problematic points of the educational system in terms of drop-outs and failures.

- * The nature of the training: too academic and insufficiently geared to practice.

- * The difficulty of establishing a dual system, alternating between work and training because of the age of the pupils.

- * The excessive rigidity of the "regulated" system (*formación profesional reglada*) and of the training it provides, which constrain it from adapting to the needs and the development of working life.

The present proposal seeks to resolve these problems at the same time as integrating several Community thrusts: "Although comparative studies do not lead to plumping for any one national model, the new system can draw extensively on the experiences of other Member States of the European Community."

The proposals

The new educational system extends compulsory education to the age of 16. At the lower cycle of secondary education (from 12-16 years) it envisages including general technology as a specific teaching subject, defining objectives which enhance transition to working life and introducing diversified and optional subjects allow-

ing for pre-vocational activities or experiences.

In the upper cycle of secondary education, i.e. after 16 years of age, the current baccalaureate (*Bachillerato*) will consist of various types of baccalaureates, each of which will consist in part of basic vocational training.

In both cases basic vocational training must serve as the foundation for all forms of vocational training foreseen in the framework of the sub-system of technical-vocational education.

The model of technical-vocational training of the Ministry of Education and Science is based on the concept of "specific vocational training" (*formación profesional específica*) designed as a bridge between school and working life. Situated between basic vocational training and on-the-job training, specific vocational training is characterised by planning, systematic and critical learning, follow-up and evaluation which are proper to the educational system at the same time as being defined in direct contact with working life.

Technical-vocational education comprises various levels corresponding to those established by the European Community. From level 2 training comes in "vocational modules". By vocational module one understands education and training in a set of knowledge and skills which form a coherent block of specific vocational training which round off the training required for carrying out a profession.

The current proposal envisages three levels: the first would correspond to "social guarantee" programmes. Its aim would be to provide young people who drop out of or wish to discontinue their studies a satisfactory level of qualifications. For level 2 modules, which would start at the end of compulsory schooling, training is foreseen which would include an in-company traineeship. Level 3 modules would be linked to the different types of baccalaureate and would aim to train persons with all-round skills who could enter working life as technical staff (*técnico intermedio*). Like the previous level, this training would include an in-company traineeship.

Under certain conditions, persons already employed can have access to these modules, so that the system would be a part of recurrent education.

The Ministry of Education and Science has already outlined some profiles corresponding to modules in levels 2 and 3. Each module is defined in a basic document which can then be added to or adapted to the local or regional environment. These profiles are currently being experimented with in various pilot centres.

Implications

This new model obviously has some important implications. Among these is the proposal to draw up a system of vocational certification and to define ways and means of pooling efforts so that in-company traineeships actually take place and grow in numbers. These and other aspects (new profiles for the teaching corps, vocational guidance and information, the most significant supply and demand factors, new courses and the involvement of the social partners) are currently being analysed and discussed, particularly within the *CGFP* - the general council for vocational training, an advisory body to the government in this area consisting of public administration (education and labour) and social partners' representatives.

In the coming months the Ministry of Education and Science intends to publish a white paper. In addition to the subjects already indicated, this will cover the planning, financing and time-table of implementing the reform.

FRANCE

New pay system for vocational trainees

A new system for paying trainees undertaking vocational training came into force on 1 May 1988.

Until then, all jobseekers undergoing training were paid either by the State or by the regions. Their situation was governed by the provisions of Book IX of the Labour Code (Articles L.961-1 to L.962-7, Articles R.961-1 to R.963-5).

Since the agreements of 30 December 1987 concluded between the social partners of UNEDIC (the national union for employment in industry and commerce), and subsequently between UNEDIC and the State on 29 April 1988, there is - in addition to the pay system of Book IX of the Labour Code, a system based on agreement and managed by UNEDIC.

The creation of a **pay system by agreement** meets a triple objective:

1. to contribute to ensuring the balance of UNEDIC's income and expenditure.

The new system for paying vocational trainees should enable UNEDIC to make savings of FFR 560m for the duration of the agreement.

2. to strengthen the coherence between activities reintegrating persons into working life and vocational training activities undertaken by the social partners, in particular as a part of the unemployment insurance system.

Efforts to activate the expenditure of the unemployment insurance system can thus be pursued since the ASSEDICs contribute to vocational training.

Indeed, recipients of the basic benefit are now entitled to a specific allowance of the unemployment insurance system when they are undergoing training: the so-called *allocation de formation reclassement (AFR)* - or redeployment training allowance.

This procedure is intended to speed up the reintegration of jobseekers into working life and to prevent long-term unemployment.

3. to develop the provision of training.

Regions which sign an agreement with the State and UNEDIC will be exempt from paying the *AFR*, the total cost of which being borne by the State and UNEDIC for trainees enrolled in the programmes for which agreements have been concluded. The regions will thus make savings on the money earmarked for paying their trainees. In return, they must commit themselves by these agreements to allocate the proceeds of the reduction in charges to vocational training for jobseekers. In the short term, the regions will thus be able to increase their training provision for all types of trainees.

The **technical provisions** are as follows:

1. The *AFR* system

AFR is given to the beneficiaries of the basic benefit who undertake training to facilitate their return to working life.

The training programmes opening up the entitlement to *AFR* are mainly programmes financed by the State or by the regions, chosen by means of an evaluation procedure carried out under the responsibility of *ANPE*.

The amount of *AFR* is equal to that of the basic benefit and subsequently, once the beneficiary's entitlement to the basic benefit is exhausted, to a lump sum of FFR

3.520. The allowance is paid for as long as the beneficiary is entitled to compensation under the unemployment insurance system. Moreover, the periods for which AFR is paid are deducted in full from the duration of the basic benefit or respectively the end-of-entitlement allowance.

AFR is financed jointly by the State and UNEDIC, ie. until exhaustion of entitlement to the basic benefit, an amount of FFR 1.000 covered by UNEDIC and the remainder by the State. Subsequently, the lump sum of FFR 3.520 is completely financed by the State.

2. The system of pay governed by Book IX of the Labour Code

This system applies to jobseekers who are not entitled to basic benefit at the time of starting the programme. It was modified by decrees no. 88-367 and no. 88-368 of 15 April 1988. These texts substituted for the previous pay calculated on the basis of 70% of the previous wage, a lump sum pay of FFR 3.200 per month, to which is added 10% for holiday with pay for those persons who can prove that they have previously been in dependent employment.

For other trainees, there is no change in the previous system of pay: this depends on the age, or on the personal situation of the person or on the nature of the training programme.

Implementing the system

1. At the national level, there are three basic texts:

* the agreement of the social partners of 26 February 1988, authorised by decree of 18 April 1988

* The State-UNEDIC agreement of 29 April 1988 together with its statistical and financial annexes and appended protocols

* decrees no. 88-367 and no. 88-368 of 15 April 1988.

At the regional level, a tripartite agreement (UNEDIC-Region-State) has already been signed for Burgundy. Negotiations are under way elsewhere.

2. The administrative implementation of the new system and the requisite modifications of the financial channels will be completed by 1 September 1988.

PORTUGAL

Vocational training grants 1989

A ministerial decree of 15 June 1988 (official gazette no. 136, series II of 15.6.88) laid down the guidelines for the 1989 activities of the Ministry of Employment and Social Security as regards the priorities for vocational training grants. Thus, irrespective of whether financing is of ESF activities or collaborative vocational training, requests for support should satisfy one of the following four conditions:

1. employment is guaranteed by training bodies to all participants successfully completing a training activity

2. training is for workers of enterprises which are being restructured: bringing in new technologies or new forms of management

3. training provides access to occupations with good employment opportunities

4. training concerns the upgrading and further improvement of the workers.

In addition to these conditions, three degrees of priority are laid down for ranking applicants for grants:

* First priority goes to requests for grants which meet conditions 1 and 2 above and those concerning the framework programmes organised by central or regional public administration provided they offer good employment opportunities

* second priority goes to requests for actions for unemployed young people, women in occupations where they are under-represented, the disabled and persons belonging to other socially disadvantaged groups, migrant workers, workers made redundant by corporate restructuring or long-term unemployed adults registered at IEFEP employment centres

* third priority goes to other requests by decreasing order of the intensity of unemployment affecting the regions where training takes places.

For each of these three areas of priority, the new legislation defines still other criteria for selection giving preference to activities giving access to the level of middle managers and highly qualified staff, to corporate start-ups, to trainers' training, to innovative actions and development agents.

UNITED KINGDOM

Training Compacts

The subject of Training Compacts was briefly examined in IM 22 as part of an article on the Government's "Action for Cities" Programme. After the success of the initial pilot schemes, compacts are likely to become a firmly established element within the range of training opportunities provided for young people.

Briefly, a compact is an agreement among employers, schools and colleges and young people. Schools, colleges and young people, actively supported by employers, work to reach agreed standards and goals. In return employers undertake to provide further training and jobs for those who reach the required standards. Compacts need to be founded on a solid local partnership between employers and education authorities. Many such partnerships already exist. Compacts, by establishing clear measurable goals, take these partnerships a stage further, focusing effort on improving the quality of the future workforce and giving young people a more effective entry into employment or further education.

The benefits

Each of the parties in a compact has a great deal to gain. For young people:

- the assurance of training and a job
- education and training best suited to their needs
- a better understanding of the world of work
- greater motivation to attend school, learn more and gain qualifications and skills.

For schools and colleges:

- improved training, employment and education opportunities for their students
- young people who are more interested and motivated
- a positive working relationship with local employers
- a more relevant, richer curriculum.

For employers:

- a supply of better motivated, educated and trained young people
- the opportunity to influence the education and training curriculum
- the chance to make a positive contribution to their community.

Compacts must be designed locally to meet local

needs and there is no one model. However, most have certain common themes. Firstly, young people (usually around the age of 14) work with their parents and school towards a set of measurable goals and standards. These will include educational progress but might also be behavioural (eg. punctuality or attendance). Secondly, schools must commit themselves to work towards specific targets for their students as they progress through school to take their place in tomorrow's workforce. Thirdly, employers agree to give jobs and training to those young people who achieve their goals.

Such was the success of the pilot scheme in the East End of London in 1987 that the Department of Employment is preparing to fund 15 new compacts in the UK from January 1989. Government financial support consists of an initial sum of £50,000 to set up each compact, followed by a further cash injection of £100,000 per year for four years, provided that proposals meet the Department's criteria.

How the scheme works in practice

In East London, where the scheme was pioneered in 1987, six schools took part in the compact and received a guarantee of 300 jobs to be provided by about 40 companies. These companies included many large and well-known firms covering the fields of construction, telecommunications, retailing and banking. The original six schools will be joined by another four in September 1988 in East London and the scheme is gaining momentum to the extent that another compact comprising eight schools in West London was launched in July 1988.

Naturally, employers will only be able to keep their side of the bargain with the provision of guaranteed jobs if the schools and pupils keep theirs, by meeting the agreed goals of the compact. In practice in East London, these goals have included at least 85% attendance during the final two years of compulsory schooling, meeting homework deadlines and passing an exam in English and maths. The result of this has been an improved attendance of 7% among 15 year olds and 5% among 16 year olds since the compact started.

One outcome of the scheme has been the tendency of children to prolong their education: with the benefit of a period of work experience within the compact they are realising that more and better qualifications will improve their job prospects. In numerical terms this means that at one particular school 66% of 16 year olds are continuing their education this year, compared with the local average of about 45%. Judging by these early results, it seems that the scheme may be having some effect on the apathy common amongst inner-city school leavers which many believe is largely due to the lack of work available for them.

The scheme is also leading to greater understanding between schools and industry. A new awareness of each others' requirements can only lead to improved job prospects for young people and the realisation of this fact has prompted employers to spend time in a school, shadowing a teacher, with school staff working for a period in a local company.

These preliminary results seem to indicate that the new, strengthened partnership between employers and education has brought benefits to all concerned and that, most important of all, it has provided many young people with an opportunity to work which they might otherwise not have had.

UNITED KINGDOM

New National Record of Vocational Achievement

A new system of credit accumulation towards vocational qualifications has been introduced by the NCVQ (National Council for Vocational Qualifications - cfr. iM 15).

The National Council for Vocational Qualifications was set up by the Government in 1986 to reform and rationalise the system of vocational qualifications. This is being achieved by introducing National Vocational Qualifications (NVQs) and creating the NVQ framework to cover all occupations and significant areas of employment. The main feature of NVQs is that they are competence-based and employment-led.

The new scheme will operate through the National Record of Vocational Achievement and all the major qualification-awarding bodies are participating in it.

Qualifications will be made up of a number of units which are recognisable and have value in employment. Units will be separately assessed and credited. The credits can be built up over time towards a qualification and full competence in an occupation.

The National Record provides a common system for recording unit-credits towards qualifications of different awarding bodies, in different education and training programmes, in different locations, over varying periods of time. In doing so, it brings together existing credit accumulation arrangements and will encourage awarding bodies to offer more qualifications in the form of unit-credits.

This system of credit accumulation and the National Record through which it operates offers many advantages. These can be identified as follows:

- Trainees will have easier access to qualifications
- Units can be built up over time
- Trainees are motivated by immediate recognition of their achievements
- Units from different awarding bodies can be brought together in one place
- Different parts of a learning programme and different modes of learning are integrated
- Tutors and trainers will be able to operate within a common system
- More flexible learning programmes can be designed
- A clear statement of the holder's competence is made in language familiar to employers
- It can record credits from one learning programme to another throughout life
- Progress towards a competence-based national system of qualifications is accelerated.

The new system has been greeted positively and enthusiastically by all parts of industry and education, and the general feeling is that such a system is long overdue. The future success of the system will depend on the inclusion of an increasing number of qualifications within it. Bodies which award qualifications are firmly committed to this objective, and such commitment should result in the full realisation of the potential of the National Record. The introduction of the new system, following some 15 months of developmental work, should make a major contribution to opening access to qualifications, encouraging far more people to take advantage of learning opportunities and accelerating progress towards a competence-based framework of National Vocational Qualifications.

UNITED KINGDOM

Employment Training - more help for training providers and trainees

Employment Training, the new programme for unemployed adults, is to offer a new feature with its start-up funding of up to £20,000 for training agents.

The first contracts for those employers, local authorities, and voluntary, education and training organisations involved were to be signed during July 1988 and the Training Commission are issuing prospectuses outlining the qualifying criteria, funding arrangements and details of the types of training planned.

Training agents will be responsible for trainee recruitment, counselling, assessment, individual action plans and referral to a suitable training manager. The agent will receive a standard fee of £20 for each person completing assessment and agreeing a personal action plan, plus £15 for each successful referral to a training manager.

Training managers will be responsible for the delivery of the action plan to include directed training and practical training on projects or with an employer. For this they will be paid £15 per trainee plus a training grant of £17.50 per trainee per week.

In addition, a grant of up to £40 may be paid where high cost training is involved, for example, for people with disabilities or learning difficulties.

Employers are expected to contribute about £5 per day for each trainee in a practical training placement and the trainees will receive a training allowance based on the previous state benefits plus between £10 and £12 depending on circumstances. They will also be paid travel expenses, lodging allowance and child care costs (up to £50 per week for children of single parents). After three months and successful completion of the training plan a trainee will receive a cash bonus of £20 plus another £30 if a vocational qualification is gained. The payments rise

progressively according to the length of time put in on training. For example, a period of six to nine months would draw £40 plus £60 for a vocational qualification; nine to eleven months £60 plus £90; and eleven to twelve months £80 plus £120. While training managers and employers will ultimately be expected to finance the bonuses, the Training Commission is to offer financial support until March 1991 by matching their contributions pound for pound.

People who have been unemployed for over six months will be eligible for Employment Training with priority going to 18 to 24 year olds who have been unemployed for between six to twelve months and those aged between 18 and 50 who have been out of work for more than two years. The voluntary programme lasts for up to a year and once underway will provide training for 600,000 people a year.

Special help is to be offered on Employment Training to people who have been out of work for more than five years, those with disabilities and ex-offenders. This includes:

- * an introductory period of up to 10 weeks which will not be deducted from the entitlement of up to 12 months full-time training;
- * a chance to try out the scheme for up to four weeks before signing on as a trainee when benefits only plus some travel costs will be paid. Once they become full-time trainees they get an additional training allowance;
- * the opportunity to attend part-time for an initial period.

It is hoped that this special help will raise commitment to the idea of returning to the labour market in the case of those who have been out of work for more than five years and raise awareness of the benefits to be gained from training.

The modules will be arranged by the Training Manager and delivered through projects which also offer literacy and numeracy provision, computer literacy and basic workshop and office skills.

Job creation

UNITED KINGDOM

New loan guarantee plans for inner cities

A new incentive has recently been announced for small firms applying for loans under the Loan Guarantee Scheme.

Prior to the introduction of the scheme in 1981, many viable small firms had great difficulty in obtaining a supply of finance from conventional sources since, due to lack of security or business "track record", they were seen as higher-risk borrowers. Since the scheme began, however, over £650 million has been lent to nearly 19,000 small firms and all the major clearing banks participate in it. The Scheme currently provides a 70% guarantee on qualifying loans up to a maximum of £75,000. Borrowers

pay the Department of Employment a 2.5% premium per annum on 70% of the outstanding balance of the loans, and since January 1988, there have been simplified administrative arrangements for loans of up to £15,000.

Although the Scheme has been running for some seven years, awareness of its existence and the take-up rate have, for various reasons, been more limited in the Inner City Areas than elsewhere. As a result of this, it has been decided to offer a new incentive to small businesses based in or moving to one of the 16 Inner City Task Force Areas. Under these new arrangements, businesses which qualify will benefit from an 85% guarantee for loans issued under the Scheme, 15% more than the national guarantee. It is hoped that this will provide extra encouragement and financial help to those considering setting up a small business in one of the Inner City Areas.

	MEASURE LEGAL BASIS	BENEFICIARIES	NATURE OF EXEMPTIONS CONTRACTS CHARACTERISTICS	ACCOMPANYING MEASURES RESTRICTIONS
BELGIUM 1	Engagement du 1er travailleur Royal Decree 111 of 15.12.1982	For some categories of unemployed	REDUCTION of contributions during 8 quarters. Unlimited work contract full or part-time	Social secretariat temporarily paid for by the ONSS social security office (ONSS)
2	Suites au stage des jeunes Royal Decree 230 of 21.12.1983	For young people under 30	Temporary REDUCTION of contributions. Unlimited work contract	It must be proven that the hiring of the worker brings a net increase in personnel
3	Chômeurs affectés à certains projets d'assistance aux PME Royal Decree 123 of 30.12.1982	For fully unemployed persons drawing benefits, as well as for CMT, CST or TCT (putting unemployed to work)	Temporary REDUCTION (maximum 2 years) of contributions. For full or part-time contract	For the same periods of time, the State partially takes over salaries. These provisions cannot be cumulated with any other benefit which might be given by the State for putting unemployed to work
4	Contractuels subventionnés Royal Decree 474 of 28.10.1986	For fully unemployed in receipt of benefit for at least 6 months, for CST, TCT and beneficiaries of minimex	EXEMPTION of contributions for employers (local public bodies). For unlimited or fixed term contracts	Under certain conditions, additional grants of 230 000 Bfr (5 350 ECU) or 400 000 Bfr (9 300 ECU)/year per person. Salaries have to reach a certain level
5	Réforme du TCT Royal Decree 473 of 28.10.1986	For LTUs unemployed for at least 2 years	REDUCTION of employer's contributions. For non-profit organisations total EXEMPTION. For unlimited work contract, full or part-time.	The State pays partially the salaries of the persons concerned (totally in the case of non-profit organisations)
6	Réduction temporaire des cotisations de sécurité sociale Royal Decree 498 of 31.12.1986	For LTUs, for youths (18-25) and beneficiaries of minimex	Until 1990, EXEMPTION of employer contributions due on a certain part of the salary; for 1991 and 1992, only REDUCTIONS. For unlimited work contracts	For enterprises with industrial or commercial activities, and for the professions when they achieve a net increase of employment in hiring the LTUs. Not possible to make use of other schemes for the same worker
7	Emploi-formation jeunes Royal Decree 495 of 31.12.1986	Youths (18-25) who have no higher education	EXEMPTION of contributions for employers. For unlimited work-training contracts where training is at least for one year and max. for 3 years (256 or 500 hours a year)	Only for enterprises with industrial or commercial activities and for the professions
8	Réforme du CST Royal Decree 472 of 28.10.1986 and Royal Decree of 29.10.1986	For registered unemployed	REDUCTION of or total EXEMPTION from employers' contributions of necessity a non-profit organisation; only very few public services	The State pays the salaries in the same proportion as the contributions
9	Aide aux entreprises en Région Wallonne regional executive Order of 24.9.1987	For selecting and training of staff employed on an open-ended contract if: 1. a new firm creates at least 5 new jobs 2. extension of a firm if existing employment is maintained 3. restructuring of firm or one of its subsidiaries if at least 80% of the jobs existing in the Walloon region are maintained	REDUCTION: the Employment Office (ONEM) can cover up to 50% of the pay and social charges of the worker to be trained and of the firm's instructors	Only industrial firms operating in Walloon region. Are excluded 1. those in the tertiary sector dealing with wholesale and retail distribution of goods and services 2. those involved in production and distribution of energy. Training must last at least 4 weeks and at most 26
SPAIN 1	Contratación indefinida Royal Decree 799/85	For workers younger than 26. Or when a work-training contract or a limited term contract are transformed into unlimited term contracts	12% REDUCTION of employers' contributions for as long as the work contract is valid. For unlimited work contract	The enterprise must be up to date with its payments of social security contributions. On average, the personnel of the enterprise should not be reduced by more than 10% after use has been made of the measure. The beneficiaries of measures equivalent to retirement are excluded
2	Contratos de trabajadores mayores de 45 años Law 8/1980 (art. 17.3) - Royal Decree 3239/1983 - Order of 9.2.1984 - Royal Decree 799/1985	For workers more than 45 years old registered as unemployed for more than a year	12% REDUCTION of employers' contributions for as long as the work contract is valid. For contracts of indefinite duration. The jobs must be maintained for at least 3 years	INEM subsidy of 400 000 pesetas per hired worker. The enterprise must be up to date with its payments of social security contributions. No such contracts are allowed with family members up to the 2nd degree of consanguinity. The enterprises proceeding to an unjustified suppression of a job do not qualify for the measure.
3	Contratos de trabajadores minusválidos Law 13/1982 (chap.VII) - Royal Decree 1451/1983	For disabled workers	REDUCTION of employers' contributions for a full time work contract of indefinite duration: by 70% if the worker is younger than 45 and by 90% if he is older. The jobs must be maintained for at least 3 years	Subsidy of 500 000 pesetas per hired worker. The handicap must be greater than 33%. In case of a new enterprise, the registration papers must be presented
4	Capitalización de las prestaciones por desempleo Law 31/1984 (art. 23) - Royal Decree 1044/1985	For unemployed entitled to benefits who either set up on their own or become members of a cooperative/workers' partnership	Temporary EXEMPTION if employee status, REDUCTION of 50% if self-employed. For a period as long as the entitlement to benefit	Possibility to cumulate with other schemes. Capitalisation of the unemployment benefit.
5	Contratos para la formación Art. 11 of workers' statute (Law 8/1980) modified by Law 32 of 2.8.1984, Royal Decree 1992 of 31.10.1984, Art. 2 of the 1988 FIP plan, Order of 22.1.1988	For youths aged 16 to 20. For handicapped youths, no age limit	EXEMPTION if enterprise has fewer than 25 workers, REDUCTION of 90% if more than 25 workers, by full time contract. Limited term contracts of at least 3 months and of maximum 3 years. If contract changed into an indefinite term one, REDUCTION of contribution rate to 12% for as long as the contract exists.	If training (in enterprises) takes place with an authorized training plan, INEM bears all training costs; without a plan, subsidy of 90 ptas/worker/daily hour of training. If training takes place in crafts training workshops INEM pays the worker 75% of the minimum interprofessional wage for at least 6 months and up to 3 years. The enterprise must be up to date with its payments of social security contributions. No such contracts allowed with family members up to the 2nd degree of consanguinity
6	Contratos de trabajo en prácticas Art. 11 of workers' statute (Law 8/1980) modified by Law 32 of 2.8.1984, Royal Decree 1992 of 31.10.1984, Art. 6 and 7 of the	For unemployed holding university or vocational training diploma giving him/her the right to practise a trade/profession	REDUCTION of 75% of employer's social security contributions if full time contract signed in the four years following completion of studies. Limited term contracts of at least 3 months and of maximum 3 years. If first contract changed into an indefinite term one, REDUCTION of contribution rate to 12% for	If the initial contract is signed with LTUs (2 yrs on the live register) having second level training diploma or in search of 1st employment, INEM grants subsidies for the salary. The enterprise must be up to date with its payments of social security contributions. No such contracts allowed with family mem-

FRANCE 1	Mesures en faveur de l'emploi des jeunes Law of 2.7.1986, Order of 16.7.1986, Order of 20.12.1986	For young people 16-25	50% REDUCTION on employer's contributions. For work contracts signed in the 3 months following the end of an apprenticeship contract, alternance training, adaptation contract, etc. and concluded before 30.6.1987	
2	Programme d'action CLD Law 87/518 of 10.7.1987	For LTUs	50% REDUCTION of employer's contributions during one year, if work contract is of at least six months and signed before 1st Oct. 1988. For work contracts signed in the 3 months following the completion of traineeship or of an action of reintegration into working life	
3	Aide aux chômeurs créateurs d'entreprises Law of 22.12.1980, Agreement of 10.2.1984	For unemployed in receipt of benefit even if they had never worked before	EXEMPTION from contributions for the first 6 months of the activity. Beneficiaries must be effectively in charge of the enterprise they control or have taken over	Financial help ranging from FF 10 750 (1 536 ECU) to FF 43 000 (6 143 ECU) according to previous work references and the length of registration as jobseeker. Extra help of max. FF 21 500 (3 000 ECU) if in the six months following start-up there is additional job creation. Substance and reality of the project are assessed by Commissioners of the Republic
4	Contrats d'apprentissage, contrats de qualification et stages d'initiation à la vie professionnelle Law 87/572 of 23.7.1987 (art. 18), Law 87/588 of 30.7.1987	Youths 18-25 or 16-25 if apprenticeship	EXEMPTION of employer's contributions. For the qualification contracts, only if the young person has been hired before 30 June 1988	
IRELAND	Social insurance contributions exemption scheme Operated from October 85 to April 86 and from December 86 to January 87	For unemployed on the live register	EXEMPTION from payment of social security contributions by employers for a full year for each additional unemployed worker recruited	
ITALY 1	General reduction of contributions DL 34/1986, DL 123/1986, DL 328/1986, DL 882/1986, DL 156/1987	Both employers and employees. For some categories of business, the Mezzogiorno and the agricultural sector	REDUCTION of general rates of contributions for both employers and employees. Special REDUCTION of contributions for industrial and craft firms in manufacturing and mining and for firms in the mechanical engineering sector AND of 2.54 points for companies operating in the Mezzogiorno AND of 17.5% in agriculture. Since 1st January 87, DEDUCTION of lump sums from monthly contributions to the national health service, with different amounts depending on nature of business	
2	Contratti di formazione e lavoro L. 863/84 of 19.12.1984	Youths aged 15 to 29	Only for companies operating in the Mezzogiorno. REDUCTION of social contributions if a work-training contract of at least 24 months is signed	
3	Piano straordinario per l'occupazione giovanile L. 113/86 of 11.4.1986, DL 86/1988	Youths aged 18-29. They have to be registered as jobseekers for at least 12 months unless they have obtained a degree, a diploma or a qualification by means of vocational training at least 12 months ago	REDUCTION of social contributions if a work-training contract of at least 24 months is signed	Subsidy equal to 15 or 20% of the salary paid to the young person. The projects must provide for theoretical training lasting at least 200 hours
LUXEMBOURG 1	Préretraite avec embauche compensatoire Law of 28.3.1987	For workers entitled to early retirement when the employer conforms to the requirement of compensatory hiring of an unemployed or of a wage-earner immediately threatened with dismissal for economic reasons	50% REDUCTION of employer's contribution on the early retirement allowance. For shift workers, total EXEMPTION	50 % reduction of the costs connected with payment of the early retirement allowance. For shift workers full reimbursement
2	Préretraite ajustement Law of 28.3.1987	For workers entitled to early retirement if their enterprise has to cut down on surplus manpower for structural reasons (ensuring the survival of the enterprise)	EXEMPTION from employer's contribution on the early retirement allowance	The Employment Fund pays the totality of the early retirement allowance. Only for enterprises when the use of the scheme is to ensure the survival of the enterprise
NETHERLANDS	Maatregel Langdurig Werklozen (MLW) Vermeend/Moor Law of 29.9.1986	For LTUs registered for a continuous period of more than 3 years and older than 21. Under certain conditions, also for those unemployed for at least 2 years as well as for those under 21	Temporary EXEMPTION (max. 4 years) from employer's contributions if they hire LTUs in 87 and 88. For unlimited employment contracts or fixed term contracts of at least 6 months	The employer can claim an allowance of Dfl 4 000 (1 700 ECU) for each person taken, to cover the costs of training and accompanying support (approved retraining programme). The work has to be at least for 15 hours a week, and the salary has to have a certain level
PORTUGAL 1	Criação de emprego de Jovens DL 257/86 of 27.8.1986	For young people 16-30 looking for first job	EXEMPTION from employers' contributions during 24 months. For unlimited employment contracts full or part-time	
2	Integração profissional de Deficientes DL 299/86 of 19.9.1986	For disabled persons looking for a job	50% REDUCTION of employers' contributions. For unlimited employment contracts	
UNITED KINGDOM 1	General scheme of reductions	For workers	General REDUCTION of contributions. Introduction of a graduated scale of contributions to national insurance, starting from 6 October 1985.	Low-pay contribute less
2	Job Start allowance Employment and Training Act 1973	For LTUs (+ 12 months) taking a full time employment paying less than £80/week and older than 18 yrs	EXEMPTION from contributions on the compensatory allowance during 6 months maximum	A compensatory allow. of £20/wk is paid for up to 26 wks. It is taxed and considered in the calculation of Family Credit and Housing Benefit

Special categories of workers

BELGIUM

TOP-Plan - the Flemish Executive's 4-year plan for LTUs

The governmental accord of the Flemish Executive stipulates that an action programme be developed in order to significantly reduce long-term unemployment in Flanders in the coming four years.

The problem of long-term unemployment is worsening. In Flanders there are some 110.000 persons who have been unemployed for more than two years, of whom 70.000 for more than five years. Furthermore, a growing number of jobseekers run the risk of becoming an LTU. Even in those regions which have been experiencing favourable developments in employment and a significant drop in the rate of unemployment in general, the number of LTUs has been rising.

The TOP-plan has been set up to meet up to this situation. This plan seeks to reorientate the initiatives for putting the unemployed to work (*tewerkstelling*) and training (*opleiding*) them more towards those unemployed persons who have poor chances of reintegrating into working life (LTUs and the unemployed with little or no training).

Basic ideas

For the Flemish Executive it is quite clear that an effective policy for fighting long-term unemployment cannot be limited to a curative approach but needs also preventive measures to avoid having some categories of the unemployed becoming LTUs.

But in the light of the current scale of long-term unemployment, priority is being given to curative measures, ie. to those aiming to get LTUs back to work.

The end purpose of this policy is obviously the creation of additional viable and stable jobs. This implies bringing in a series of preparatory and supporting measures for training and placement. Vocational re-adaptation and geographical mobility are only two examples.

Although such a plan in principle aims at all LTUs, priority must be given to those unemployed who are particularly hard hit by unemployment. For this reason three categories of the unemployed are given preferential treatment within the TOP-plan: the very long-term unemployed; the unemployed with little or no training; and the unemployed with dependants.

These are the basic ideas behind the 4-year TOP-plan. Its implementation will require close collaboration between the various partners, public and private, at all levels. Because resources for investment in the fight against unemployment remain limited, the plan is geared in the first place towards using better and more selectively the existing instruments as well as towards greater concordance with policies carried out in this respect at the national and European levels. But some new, complementary measures are foreseen.

Concrete proposals

* Placement

In the future, the Flemish public placement service, RVA, will invite LTUs (2 or more years) to a reorientation interview. This will enable the placement officer to examine with the LTU those aspects which should enable him/her to significantly improve her/his chances of moving back

into the labour market. In practice, the LTU will be offered either suitable training or employment (conceivably temporary). At the same time a "reinsertion agreement" will be drawn up between the LTU and the RVA which will enable the active pursuit of placement efforts.

An existing instrument which facilitates the placement of LTUs is the jobclub (cfr iM 21). Promoting these clubs will be intensified and in those regions where there is a considerable concentration of LTUs, additional clubs will probably be set up.

Finally, those in charge of RVA's placement service want to reorganise it so as to improve the dissemination of information on the various employment measures for the unemployed. In this context, a special effort will be made for intensive training and re-adaptation of the service's placement officers.

* Putting the unemployed to work

In the first place, a proposal has been tabled to modify the provisions as regards the difficult-to-place unemployed, with the aim of limiting the field of application to LTUs.

Finding temporary work through the RVA T-Service will be more selective for the benefit of LTUs.

In the public sector, priority will be given to LTUs for the compulsory replacement of those taking a career break (cfr iM 15).

In general, an attempt will be made to re-orientate towards LTUs the existing programmes for mopping up unemployment. One part of these projects will be reserved for LTUs aged 50 or more and for LTUs aged at least 40 who have only had limited training.

The Flemish government will set up investment programmes aimed at renovating or cleaning up sites and buildings provided that such work brings about the employment of LTUs.

Finally, the Flemish government is seeking to work on an agreement with the national government on adapting regulations concerning specific programmes for mopping up unemployment (such as young persons' traineeships - cfr iM 6 - and local employment agencies - cfr iM 20) to facilitate access to them by LTUs.

* Training

The possibilities for individual in-company vocational training will be enlarged and orientated more selectively towards LTUs.

The capacity of the RVA training centres as well as the permanent training centres of the "Middle Classes" will be considerably increased. Enhanced adaptation to the specific needs of LTUs is also seen to be indispensable.

The scope of "*schakelprojecten*", or reintegration projects, will be extended. They will be restructured in line with developing a closer link between vocational training and moving back into working life. Within this framework reintegration agreements are also foreseen between those who have undergone training and RVA to ensure more effective placement.

Resources and supporting structures

TOP-plan should be implemented mainly through the existing training and placement structures at the level of the Flemish Community.

The Flemish RVA services deal with workers' training whereas the "Middle Classes" training centres continue to do the same job for the unemployed who want to set up

on their own. In both cases, RVA remains the body responsible for drawing up activities, new and others, to foster the placement of LTUs.

However, since these services have had to make sterling efforts as regards new technologies and reconversion policies over these last few years, their adaptation and extension are indispensable for carrying out the TOP-plan. Just to take two examples:

- For organising the re-orientation interviews, it will be necessary for the sub-regional employment services (of which there are 18 for the whole of Flanders) to hire three placement officers especially entrusted with these interviews. Changing the equipment and additional training for the staff of placement services are more than desirable.

- Providing 10,000 unemployed persons annually with pre-training and actual vocational training will require budgetary resources of the order of BF 2.5bn per annum.

In order to limit the additional costs to the greatest extent possible, the resources (human and financial) are going to be mobilised in a more coordinated way. To cover the additional financial costs, the Flemish Executive is proposing in particular to release budgetary funds through a more selective policy as regards employment premiums, to create a "TOP Fund" by means of re-arranging the existing fund for teaching and training, to make the greatest possible use of the different European funds and to require the Belgian national authorities to make available to the Flemish Community additional financial resources earmarked for actions on behalf of LTUs.

Prospects

The TOP-plan opens up a number of interesting prospects and it is hoped that many LTUs will use it to move back into working life.

It should not be forgotten that unemployment (and long-term unemployment in particular) brings psychological and social consequences which the classical macro-economic approach does not always give sufficient attention to. A more planned approach like the TOP-plan is an important aid when a strategy is to be developed which enables a not inconsiderable part of the population of working age to avoid being excluded from the labour market.

GERMANY

Extending career openings for girls and women

The demand for women's equality has broad societal acceptance. But careers counselling does not end with analysis and the resulting demands for equality. The task of careers counselling - and this is what it is measured by - is rather to help in achieving these demands, be it only partly.

Achievement of equality of opportunity being the central aim, careers counselling has therefore, depending on the starting position, to work out partial aims for girls having to make an occupational choice. What is important in this respect is to broaden the career perspectives of girls and to open up the chances to carry them through. This has to be done in full knowledge of the personal and local conditions (level of information, state of discussion, willingness to change, cooperation partners, structure of the training and labour market).

This can mean different things in different regional settings, eg.:

- * to ensure vocational training for all girls,
- * to strive to change the focus of vocational training towards a greater choice of careers,
- * to draw on the local supply and corporate interests to make use of a favourable labour market situation for the benefit of girls,
- * to enable more girls to be trained in what have been untypical occupations or a specific sector.

In summary, the starting point for careers counselling must be found in the social and anthropological conditions of the girl and her environment. Aids to broaden career prospects should hence not turn into a gender-specific topic. To achieve behavioural changes which are effective in the longer term it is necessary to also approach young men who are making a career choice about the topic and to involve them in the discussion.

Career guidance

In classroom sessions on career choice, greater efforts should be made than heretofore to make girls (as well as boys) aware of the traditional pattern(s) of career choice and prejudices and to contribute to overcoming them. It is moreover important to make proposals which encourage girls having to make a vocational choice. These include in particular discussions with girls who are being trained in occupations so far untypical for women, as well as practical test periods in "new" occupational areas (eg. *Pro-bierwerkstatt*: test workshop). Similarly, special action-oriented seminars are being designed.

Parents have an important role to play in career choice for girls, since the girls need family backing and encouragement to take up new paths. Thus targeted information and discussion sessions for parents are indispensable.

Vocational counselling

Individual cases to be helped by vocational counselling are based on the personal requests of the person seeking advice. In the course of conversations, the knowledge and experiences of the girl will be assessed and new information provided in the light of the individual's requirement.

In the context of broadening the range of career choice for girls, such personal counselling sessions are ideal for developing vocational alternatives. Girls who are thinking of taking up training in a career which has not traditionally been that of women need particular counselling support. In such cases as well it is advisable to actively involve the parents as cooperation partners and to broach the subject of possible conflicts.

Placement in training

The vocational guidance service must actively support young women in carrying through their career aspirations. This is all the more important where careers which are thus far untypical for women are concerned.

In the context of its placement activities, the vocational guidance service approaches firms and organisations in industry likely to carry out training. What matters mainly is to canvass a sufficient supply of training places for girls in qualified occupations. In addition to hiring girls and training them in various occupations, including those which have so far been untypical for women, it is necessary to ensure that women will be employed in vocations for which they were trained. This includes the demand for equal opportunities for the vocational advancement of women.

Prospects

In achieving the demand for equality of opportunity, a distinction has to be drawn between a long-term societal task (the general broadening of the occupational range for girls and equality of treatment as regards training and employment) and short-term measures for girls seeking training places.

Vocational counselling is striving for both goals. But it depends to a considerable extent on the collaboration of others, particularly parents, teachers and trainers. Talks with third persons over the whole question and specific public relations work are indispensable as accompanying measures which support the work of vocational counselling.

SPAIN

Youth measures evaluated

Royal decree 799/1985 of 15 May 1985 brought in incentives for hiring young workers and provided for the extension of this measure to various existing programmes and contracts. The decree was in force between 1 June 1985 and 31 May 1988 as stipulated in its third and final provision.

Before the publication of this decree, there was no scheme in Spain which fostered the hiring of young people on open-ended contracts, this being the group most affected by unemployment. To counteract this situation the decree introduced a new incentive scheme by which the state covers 50% of the employer's social security contributions (the rate of contributions being 12% instead of the normal 24%) for the whole duration of the contract, in four specific cases:

- * when the enterprise hires a young person under 26 years full-time on an open-ended contract;
- * when at the end of a practical work contract (*contrato en prácticas*), a training contract (*contrato para la formación*) or a relief contract (*contrato de relevo*) the company decides to convert the contract into a full-time open-ended contract;
- * when a cooperative takes on as a member worker a young person under 26;
- * when a fixed term contract in force at the time of the publication of the royal decree is converted into an open-ended contract (the MISEP Basic Information Report on Employment Policy in Spain provides more details on this type of contract).

The results obtained since bringing in this measure are as follows:

Open-ended employment contracts for young people

1985 (July-December)	55.785 contracts
1986	104.430 contracts
1987	118.522 contracts
1988 (January-May)	83.291 contracts
TOTAL	362.028 contracts

It is difficult to assess the impact that this measure has had on the employment of young people. The statistical data available show, however, that the rate of unemployment of young people under 26 has dropped from 45.7% before the decree came in to 40.3% at the end of the period in 1988 (figures taken from EPA, the survey of the working population relating to the first quarter of 1988).

This trend has been maintained, as is shown by the significant improvement of employment of young people under 25 since the measure was launched (1.710.660

persons in 1985 compared with 2.178.140 in 1988).

But it should be remembered that this positive development in the rate of youth unemployment and employment is not only a direct consequence of this type of contract. It is also the overall result of the current employment policy for young people, the main thrusts of which are:

- a) to improve training. To these ends, *Plan FIP* (the national training and vocational integration plan) consists solely of training and vocational integration programmes
- b) to enable insertion by means of different types of contracts: training contracts and practical work contracts, in which employers' social security contributions are reduced and, in some cases, grants are paid to the employers
- c) to facilitate integration by encouraging the recruitment of young people on open-ended contracts as well as by giving priority to schemes supporting the employment of young people in cooperatives, supporting local initiatives, self-employment and the hiring of women in occupations or industries where they are under-represented.

In the course of the first six months of 1988 there were more than 300.000 contracts for supporting the employment of young people in programmes specifically designed for them. Roughly one third of these contracts were offered to young people under 26 within the setting of royal decree 799/1985, which shows the considerable impact of this type of contract on the total number of contracts.

The Ministry of Labour and Social Security has recently started to look into a new programme for supporting the hiring of young people for an indefinite period.

NETHERLANDS

Positive actions for women

Employers who develop or implement a positive action programme for women in their company or organisation can receive financial support for specified costs. This is laid down in the recently launched SRPAV, ("Scheme to foster positive actions for women"), bearing witness to the importance the government attaches to such positive action programmes.

SRPAV is scheduled to run until 1993. It is targeted at enterprises, organisations and lower public administrations. The government has earmarked HFL 2m of the budget of the Ministry of Social Affairs and Employment for the programme in 1988.

- Employers can receive financial support for
- * having an analysis made of the position of women within the organisation;
 - * hiring an external consultant to develop a programme of positive action; and
 - * specific measures which are taken in the framework of a positive action programme (for instance a special recruitment campaign or the development of a course).

The grant-in-aid amounts to half the costs incurred, with a maximum of HFL 25.000 per employer. One of the conditions is that at least 35 persons are employed and that the programme has been submitted to the works council, the staff or the staff representatives.

Instead of this grant, employers can also receive a wage subsidy for a specialist working in or joining their company/organisation who, for a maximum period of four years, is entrusted with setting up and implementing positive action programmes. Furthermore, employers who can influence the establishment of positive action

programmes in other organisations (for instance trade unions or employer associations) can also qualify for these grants. They are only given to organisations employing more than 100 persons. The contribution amounts to half the costs incurred, with a maximum of HFL 55.000 per year and per employer.

NETHERLANDS

Employment of ethnic minorities

The government, the social partners and the organisations of minority groups have, according to the government, joint responsibility for improving the job opportunities for ethnic minorities. To support action by the social partners and minority groupings, the government is providing additional resources.

It is the responsibility of the government to provide facilities and to support social partners' and minorities' employment and training initiatives. The Ministry of Social Affairs and Employment has earmarked some HFL 160m in 1988 for actions for minorities, half being for employment measures. Thus a more than proportionate amount of the money for CBBs (Centres for vocational orientation

and preparation) and a significant amount of the money for the PCGs (depressed areas) is being directed to minorities. The government is also drawing attention to some new initiatives which can be of great significance for the employment of minorities such as: the reorientation interviews with very long-term unemployed; the temporary measure of municipal employment initiatives (extended until 1 July 1989), which has been introduced as a forerunner of the Youth Employment Guarantee Scheme - JWG; the additional resources provided under the Youth Vocational Training Subsidy Scheme (BVJ) to place young people from minority groups in apprenticeships (HFL 3.000 for a maximum of 2000 young people - cfr. iM 22); and JOB, the scheme to provide long-term unemployed young people with some work experience.

Furthermore, attention is drawn to subsidies provided by the Ministry of Welfare, Health and Culture for employment and transition into working life projects.

The government has also decided to use resources (HFL 250m) of the former WIR Fund (the investment promotion fund) to a more than proportionate extent for minorities. This would be the 20% or so of the funds earmarked for training the unemployed. The social partners are currently considering the exact use to be made of this money.

Placement

FRANCE

Changing placement structures

The *ordonnance* of 20 December 1986 led to a number of changes in the provisions of Book III of the Labour Code relating to placement and employment (cfr. iM 17). Regulations were to be brought in later providing more detail on the controlled opening-up of the public placement service (SPP).

The *ordonnance* and the implementing decree of 24 June 1987 resulted in changes in the structure of the SPP and its operating procedures based on two major concerns:

- * to associate all competence and willingness to help employment
- * to adapt public service action to local needs.

Organisation of the legislation in force

For its functioning and operational procedures ANPE can draw on the support and involvement of new outside partners.

- Internally, through representatives of the public authorities, trade unions and employers' associations within the regional and *département* committees;
- externally, by extending its network through a policy of concluding special agreements enabling it to develop partnerships with a view to undertake such actions as are best suited to meet the requirements of ANPE's clients, ie. jobseekers and enterprises.

The **regional committees** provide ANPE with the support, help, experience and knowledge of the various external institutional and socio-economic actors. They constitute a driving force enabling the SPP to provide suitable operational responses by means of a better un-

derstanding of the local needs. As such, each committee makes for its own region proposals for orientations and development plans of ANPE's activities as well as for the conclusion of special agreements pertaining to placement, cooperation or setting up units. The regional committee also drafts the report on regional activities and prepares the draft allocation of expenditure in the framework of the budgetary appropriation.

Opening-up the public placement service: The provisions of the *ordonnance* of 24 May 1945 concerning the State's placement monopoly were in practice hardly adhered to; nor were they adapted to the real situation on the labour market. These provisions have been replaced by special agreements for placement and collaboration with non-profit bodies (such as local bodies, associations, public establishments and organisations administered jointly by trade unions and employers' associations) to make the SPP more efficient.

ANPE's action which constitutes the mainspring of the SPP, must be progressively strengthened by involving in labour market actions bodies with which it has concluded special agreements. The agreements are examined by the ANPE regional committee, with the exception of those having a national bearing. According to the body or institution seeking to become an ANPE correspondent, the committee checks the complementarity of actions on the labour market, the resources made available, the equality of treatment of the users and whether the services are free of charge.

Optimal operating conditions

As regards the operations of the **regional committees** there are a series of functional requirements:

Practice has rapidly demonstrated the need for close, on-going links between the ANPE Managing Board and

the regional committees. Thus the latter have had to adapt their timetables and activities to those of the Managing Board (budget, orientations, development plans for activities, etc.).

Communication between these two levels has had to be organised on a "back and forth" sequence based on mutual considerations. Following the example of the ANPE Board, the regional committees meet three to five times every six months. They examine the implementation, results and prospects of ANPE's main activities both in relation to its fundamental tasks as well as in the context of operations with which it has been entrusted by the public authorities.

Holistic approach: The need for managerial coherence of ANPE was rapidly felt given the diversity of situations. This job of stimulation and coordination is naturally undertaken by the chairman of the ANPE Board which in this respect operates on two levels:

* that of the Board as such, to ensure that the deliberations of members with diverse viewpoints result in the most positive actions for users;

* that of vertical relationships, because although too great a divergence of positions is not feasible, the suggestions of the regional representatives cannot just be left on one side.

One of the prime means of this vertical communication (over and above those legally required: minutes, meetings, ...) remains the "Conference of Chairmen of Regional Committees" which meets every second month.

The reform in question also provides for the creation of **département committees**. Only a few have so far been established based on the following two considerations:

* to achieve the satisfactory functioning of the regional committees before extending the system to the *département* level. However, their smooth functioning is still conditioned by the way "regional board members" view the working of ANPE (budget, mechanisms of the employment system, etc.);

* to take into account a scales effect or particular employment and unemployment situations. The prime purpose of these tripartite bodies is to get ANPE firmly rooted in the local setting.

These considerations have led the *départements* of the Ile-de-France each establishing a *département* committee.

NETHERLANDS

Law on the administration of the labour market (*Arbeidsvoorzieningswet*)

A bill reorganising the administration of the labour market has been introduced to the Second Chamber.

This specifies that public job placement is no longer exclusively in the hands of the public authorities but is rather their joint responsibility with the social partners. This tripartite structure is enshrined in the proposed legislation.

The introduction traces the changing environment of the labour market and the growth of unemployment. This has led to the social partners and the municipal authorities having become increasingly active in tackling labour market problems since the early 1970s. Moreover, ministries which are not responsible for labour market administration, such as Education and Science, have increasingly taken measures impacting on the labour market. The existing organisation of the labour market administration

is insufficiently tailored to coordinate all these (partly sector level) activities. Hence, the government wants to entrust a new independent body, established under public law, with the administration of the labour market in which public authorities, employers and employees are represented on equal terms.

The new structure

The new organisation is called the *Centraal Bestuur voor de Arbeidsvoorziening (CBA)*. The national governing body consists of three representatives each of the public authorities, the central employers organisations and the central trade unions. Furthermore, there will be a number of regional bodies (*RBAs*), with a similar tripartite structure, but where government representation is from the municipal authorities. Both *CBA* and *RBAs* have an independent, non-voting chairman.

The *CBA* shall draw up each year an outline programme consisting of general guidelines which are used by *RBAs* as the basis for drafting their own regional plans. The *RBAs* have considerable freedom to carry through their own policy; thus, the *CBA* cannot make unilateral changes in a regional budget once this has been decided on. Furthermore, the director of an employment office is accountable to a *RBA* and not the *CBA* office.

On the other hand, the bill provides for the *CBA* to exercise a certain degree of control so as to ensure a coherent national policy as regards strategic issues. Thus, in addition to fixing the general guidelines in the outline programme the *CBA* can give instructions when it considers that one region is not respecting the general policy.

Despite the various parties participating in the *CBA* on equal terms, public authorities have a special position in the eyes of the government. This is not merely because the government is setting up the new organisation by law but also because the Constitution lays down that "public authorities have supervisory powers over public bodies established by or by virtue of the law". The Minister of Social Affairs and Employment is entrusted with this supervisory task. This means that the minister can suspend or annul *CBA* decisions if they are in conflict with the law or the general interest and that he must approve *CBA* directives with binding regulations for third parties. The minister must also approve the budget of the organisation in as far as this is concerned with the required coverage of expenditure through revenues. The minister cannot, however, give instructions about the national framework programme, for such authority would constitute a serious inroad into the principle of the equal influence of the three parties.

Training

RBAs will be given an important role in deciding how money for training will be spent in their region. This will not be merely the money of the labour market administration itself but also the budget of the Ministry of Education and Science for vocational training courses.

The bill guarantees that even after the law is enacted, *RBAs* will make optimal use of their own training institutes: the *C(A)VV's*. There will be a transitional period for the *CBB's*, the centres for vocational orientation and preparation which are administered by the municipalities. These centres are currently grant-aided by the Ministry of Social Affairs and Employment, but the grant will expire in four years; subsequently, a decision will have to be taken on whether the *CBB's* become institutes of the labour market administration or will be continued by the municipalities.

Placement monopoly

The bill lifts the ban on for-profit job placement. This ban came in in 1930 to prevent abuses on the labour market. This created a de facto monopoly position of the public placement service. The government believes that there is no longer any necessity for this monopoly situation. The rights of jobseekers are now better protected by collective agreements and laws. But the government does not want to completely deregulate placement. So for-profit placement organisations will have to have a licence given by the CBA.

The bill also provides a new definition of the concept of placement. According to jurisprudence, "placement" means the provision of services in two directions, ie. intended for both employers and employees. Various activities which can be seen de facto as "placement" fall outside this description and thus outside the scope of the law. For this reason, the definition of placement has been adapted so that both one-way and two-way provision of services are included. "Placement" will be understood to mean the provision of intermediary services aimed at bringing about a fixed-term or open-ended employment contract. The provision of services aimed at appointing public servants also falls within this definition.

Dismissals procedure

Responsibility for authorising dismissals shall remain in the hands of the director of the GAB (regional employment office). For these duties, the employment office will receive directives directly from the minister, neither the CBA nor the RBAs being competent in this respect. The commissions of representatives of employers and employees advising the GAB on dismissal issues will remain in existence.

Finance and personnel

Revenues of the new labour market organisation will consist in the main of contributions from the State.

The CBA can increase its income by charging for certain of its services. But for this a two thirds majority of

everyone of the parties is required.

The institution of the new organisation goes hand in hand with the winding-up of the Ministry's Directorate General for Manpower (DGA). The intention is that staff of the DGA (some 4.300) will be taken on by the new organisation. The requisite legal arrangements are being made to pave the way for this changeover.

PORTUGAL

Adapting SEDOC to the Portuguese situation

Article 218 of the treaty of Portugal's membership to the European Communities lays down that the Commission will help adapt SEDOC to Portuguese realities. SEDOC is the European system for disseminating registered job offers and requests for international matching.

The Portuguese version of SEDOC, particularly its technical revision and adaptation to the Portuguese situation, has been carried out by Portuguese occupational specialists working for IEFP, the employment and vocational training institute. The "Methodological Instructions for using SEDOC" have also been revised from the technical viewpoint; this is the indispensable instrument for various users, especially the placement officers of the employment services. The "Alphabetical Index" of occupations according to the SEDOC classification as well as its equivalence to the "National Classification of Occupations" are currently being drafted.

Training sessions for SEDOC trainers have in the meantime been run at IEFP in Lisbon as well as in the French and German employment services, the aim being to get SEDOC started in Portugal. Topics tackled were in particular the possibilities and limits to free movement of workers within the Community; the principles of SEDOC's operations, particularly classification, coding and matching job offers with demand; and the integration of the SEDOC system into the internal functioning of the employment services in the respective countries.

Miscellaneous

BELGIUM

Adapting the minimum wage

The collective labour agreement (CCT) no. 43 of the national labour council (CNT), was concluded on 2 May 1988. It modifies and coordinates CCT no. 21 of 15 May 1975 and no. 23 of 25 July 1975 relating to the guarantee of an average monthly minimum wage (*revenu minimum mensuel moyen - RMMM*).

The aim of this agreement is to raise the guaranteed RMMM to BF 34.050 from 1 April 1988. Agreement no. 43 also coordinates the texts of agreements no. 21 and no. 23 which have governed minimum wage matters until now.

Collective agreements no. 21 and no. 23

On 15 May 1975 the CNT concluded CCT no. 21 guaranteeing an average monthly minimum wage to full-time workers aged 21 or more. The amount was set at BF 15.500 (at 1 January 1975). This framework agree-

ment gave joint committees (*commissions paritaires*) the possibility to determine, according to the modalities proper to their industry, the content of the RMMM as well as the system for linking the amount of the minimum wage to the consumer price index.

The supplemental CCT no. 23 of 25 July 1975 settled these questions for enterprises in industries where no measures had been taken to implement CCT no. 21.

Based on the same amount, the joint committees worked out their own indexation systems with the result that this amount has evolved differently according to the industry in question. Moreover, the indexation systems provided for by the joint committees also differ in relation to the supplemental system of CCT no. 23.

In order to eliminate these differences, the social partners decided in the central framework agreement concluded on 7 November 1986 to set the average monthly minimum wage at BF 34.050 for everybody. CCT no. 43 of 2 May 1988 was concluded in execution of the central framework agreement.

CCT no. 43

*** Field of application**

CCT no. 43 applies to workers aged 21 or more who carry out normal full-time work under the terms of an employment contract as well as to their employers.

In principle, the field of application covers all workers bound by an employment contract (workers, employees, sales representatives, servants or students). However, persons employed in a family enterprise and workers who are usually employed for periods not exceeding one month are explicitly excluded from the field of application.

The scope of the CCT is, however, conditioned by the concept of "normal, full-time work". This is understood as meaning a job of 40 hours a week or less, according to the CCT in force in the industry or company.

Part-time workers are not included in the field of application. But for such workers the provisions of CCT no. 35 of 27 February 1981 remain in operation. Article 10 of this CCT stipulates that a person working part-time is entitled to an average minimum wage on the basis of the duration of his/her work within the company (on the basis of her working time in the company) and in proportion to the RMMM of a person working full-time.

For workers who are minors, the social partners also concluded an agreement (CCT no. 33bis). This modified the CCT of 28 February 1978 relating to a guaranteed RMMM for minors employed by a company which falls under no joint committee or whose joint committee has taken no specific measures on this issue.

*** The amount of the RMMM**

Workers coming under the field of application described above are guaranteed an RWWW of BF 34,050.

However, in those industries which are behind by at least BF 1.000, the full amount will only have to be paid by 1 September 1988 at the latest.

*** Indexation system**

The amount of the RMMM is linked to the consumer price index according to the modalities laid down by the joint committee.

Once the joint committee has set up such a system, the amount of the RMMM is linked to the pivot index which, according to this system, is in force on 1 April 1988.

If there is no joint committee or no CCT concluded within a joint committee setting up a system for linking the RMMM to the price index, the RMMM will be indexed according to the modalities which apply to social security benefits (defined by the law of 2 August 1971).

*** The concept of RMMM**

In the absence of a collective agreement concluded within a joint committee containing other provisions, CCT no. 43 defines the concept of RMMM. However, the industries which are subject to the supplemental provisions of CCT no. 43 can still draw up their own rules for the future.

According to the terms of CCT no. 43, the RMMM relates to all elements of pay linked to normal work to which the worker is entitled and which are directly or indirectly payable by the employer. These elements include inter alia the wage and the premiums as well as the other advantages which the worker is entitled to claim from his/her employer on account of the work/services performed - ie. the work/services mentioned in the labour code and in CCTs and spelt out in detail in the company's work regulations.

*** The amount of BF 34.050** is the average monthly amount. This means that a detailed account has to be drawn up.

If the worker draws only a fixed wage and monthly premiums, the amount must be respected on a monthly

basis.

If the worker draws premiums relating to a period exceeding one month, the employer must draw up a detailed account of all the elements of pay linked to normal work and paid or granted during the period covered by these premiums. If the amount is less than the total of the amounts of the RMMM relating to the period for which the detailed account was drawn up, the difference is paid in addition. If the employment contract comes to an end before the payment of such a premium, the detailed account must be drawn up at the time of the termination of the contract.

For workers whose pay is wholly or partly variable the RMMM is calculated on the basis of the average of monthly pay for the calendar year, provided that no CCT has been concluded in a joint committee which provides for other clauses. At the end of the year, all the elements of pay relating to that year are added up. If the sum is less than the total of the monthly amounts of the RMMM due for these 12 months, the worker must be paid the difference.

When a contract is terminated before the end of the calendar year, the RMMM is calculated on the basis of the months when the worker was employed.

*** The adaptation of the RMMM** has at present no influence on the other regulations which relate to it (eg. the royal decrees nos. 495 and 498 - cfr. iM 18).

All provisions that were taken to implement CCTs no. 21 and 23 relating to guaranteeing the RMMM remain in force in so far as they have not been modified by the new agreement.

GERMANY

Social security card

The Federal Government has passed a bill introducing a new social security ID card and modifying other social laws.

Illegal employment practices lead to evasion of taxes and social contributions and to an abuse of social security benefits. The fight against illegal working, against abuse of benefit and against the misuse of the hours or earnings threshold for compulsory membership of the social security scheme (Geringfügigkeitsgrenze) has become a duty of the social welfare state.

The bill provides in particular for the following measures:

1. Every employee will receive a social security card which the employer has to be shown when the employment starts. This new social security card provides the same data as is already to be found in the existing identity card of the social insurance book which establishes proof of membership. For better handling, the new card will be produced as a plastic card and not, as previously, on delicate thin paper. This will, however, continue to be used in the interim period until all plastic social security cards have been issued.

2. In a number of sectors and trades (building, fairground entertainment, fairs and exhibitions, office cleaning) where strict monitoring has already taken place because employment is often carried on without compliance with social and tax legislation and the law pertaining to foreigners, a requirement will be brought in for workers to carry their social security card on them.

3. The employer is required to notify the authorities for control purposes if the social security card is not presented.

4. Workers who are required to carry their social security card on them must be registered by employers as from the first day of their employment. This is a simplified immediate registration which is additional to the normal registration.

5. So as to better combat the misuse of benefits, payment bodies (ie. the employment office or the health insurance companies) have the right to withdraw the social security card when they are paying allowances to the worker concerned.

6. Jobs which are under the hours or earnings threshold for compulsory membership of the social security scheme (*geringfügige Beschäftigungsverhältnisse*) will be included in the existing registration procedure for social security.

7. The rights of control of the authorities responsible for fighting illegal employment will be enlarged. In cases where workers have to carry the social security card on them, the competent officers can demand its presentation. For control purposes they are allowed to enter premises and offices of employers and third parties.

8. Offences against the major requirements laid down in the bill will be punished by a fine of up to DM 5.000.

9. The low wage threshold (*Geringverdiengrenze*) up to which the total social security contribution has to be paid by the employer and which was raised every year, will be fixed permanently at its present rate of DM 600 per month. Since the hours and earnings threshold for compulsory membership of the social security scheme (*Geringfügigkeitsgrenze*) will continue to rise from its current monthly level of DM 440, the low wage threshold will become meaningless in a few years.

The World Economics Institute in Kiel estimates that from 7 to 10% of gross national product is lost every year through clandestine work. That represents some DM 130bn to DM 180bn. *ZDH*, the national handicrafts association, estimates the loss in the crafts' area to be 10% of its total turnover, roughly DM 40bn. *JaW*, the institute for applied research, estimates as a maximum 5% of GNP the turnover of the shadow economy. The association of criminal investigation officers estimates that there are some 500.000 clandestine workers who swindle the economy out of some DM 170bn annually.

NETHERLANDS

Figures on unemployment

The Central Statistical Bureau (*CBS*) estimates that the number of registered unemployed, averaged over the period from November 1987 to January 1988 inclusive, amounted to 463,000 and from December 1987 to February 1988 inclusive, to 485,000. To compile these figures, use is made of the data provided by the registrations of the employment offices in combination with the data from the Labour Force Survey of the *CBS*. These figures are respectively 33% and 30% lower than the corresponding official figures for unemployment, which are exclusively based on the administrations of the employment offices.

The *CBS* has, on the request of the minister, maintained the existing definition of registered unemployed: persons aged between 16 and 64 who are registered at the employment office, have no job, are seeking paid employment for at least 20 hours a week and are immediately available for work.

The Tripartite Group on Unemployment Figures (*TWW2*) of the Labour Foundation concluded that the *CBS* approach should be the basis for a more accurate

series of unemployment figures. An agreement between the ministry and the *CBS* should settle details. The minister then submitted a draft agreement to the *CCBA* for its opinion (the *CCBA* being the central advisory committee of the Directorate General for Manpower).

To obtain unemployment figures on the basis of the current employment status of those registered as unemployed at the employment offices, the *CBS* is taking those persons who, for a given month, were questioned for the Labour Force Survey at the same time as being registered at the employment office on the day of the survey. Since for these persons data is available both from the survey and from the employment offices, comparisons are possible. In these estimates a three-months' average is worked out based on a sample of some 1,600 persons.

The study of the period November 1987 to February 1988 showed that of all unemployed persons registered at the employment offices 27-29% had a job, some 10% were not available for work within a two week period and about 1% wanted to work for less than 20 hours per week. This means that 38-40% of those registered as unemployed according to the survey cannot be considered as being unemployed. Of those persons who are registered at the employment offices as not being unemployed, it would seem that 27-28% in fact meet the criteria of registered unemployment. Consequently, the number of registered unemployed, as previously mentioned, is 30-33% lower than the official figures indicate.

The perceived increase of 22,000 in the registered unemployed from 463,000 (the November 1987 to January 1988 average) to 485,000 (December 1987 to February 1988) is significantly higher than the 6,000 observed increase in the official unemployment count. The statistical inaccuracy of the figure now published by the *CBS* is relatively high. In the publication, the *CBS* puts forward three possible ways of reducing this inaccuracy in the near future: using information from the Labour Force Survey about changes in the employment status of those questioned in the period prior to the survey; asking those questioned in the survey again after some months; and increasing the size of the sample.

Finally, the *CBS* indicates that in addition to the monthly publication of three-monthly averages, it can provide more detailed figures per quarter and per year. These quarterly and annual figures can be broken down according to sex, age, geographical area, length of registration, training, occupational group, job search behaviour and type of allowance. These data can be more differentiated annually than quarterly.

From July/August, figures will become available on the flows into and out of unemployment. These are overall figures per month (quarterly averages) with more details per quarter and per year.

UNITED KINGDOM

Employment Act receives royal assent

The Employment Act 1988 which reforms industrial relations and trade union law and makes new arrangements for employment and training has received royal assent.

Provisions within the Act relating to arrangements for employment and training came into effect on 26 May 1988. From this date the Manpower Services Commission is renamed as the Training Commission in recognition of its increased focus on training. One of its most important tasks will be to run the Employment Training Programme (cfr. article above). The Act will also enable

up to six additional members to be appointed to the Commission, thus increasing its employer representation. These are expected to be drawn from retailing, tourism and leisure, banking and finance - industries which have experienced rapid growth.

The main purposes of the trade union and industrial relations parts of the Act are to:

* give union members statutory rights to protect them-

selves against abuse of power by their unions;

* enhance union democracy and accountability;

* enable union members to enforce these and other statutory rights; and

* to remove all statutory support for the closed shop (ie. that all dismissals of employees for not belonging to a trade union (or a particular trade union) will be automatically unfair).

MISEP correspondents

Belgium	Joseph Remy, Ministère de l'Emploi et du Travail
Denmark	Vibeke Jensen, Arbejdsministeriet
Germany	Magda Schleegeer, Bundesministerium für Arbeit und Sozialordnung Detlef Hein, Bundesanstalt für Arbeit
Greece	Evangelia Hadziantoniou, Ypourgion Ergasias Angelos Zisimopoulos, O.A.E.D.
Spain	Lorenzo Cachon, Ministerio de Trabajo y Seguridad Social
France	Denise Annandale, Agence Nationale pour l'Emploi Gilles Bienvenu, Norbert Chitrit, Ministère de l'Emploi
Ireland	Fergus McCafferty, An Roinn Saothair
Italy	Teodosio Zeuli, Ministero del Lavoro e della Previdenza Sociale
Luxembourg	Jean Hoffmann, Administration de l'Emploi
Netherlands	Chris Smolders, Ministerie van Sociale Zaken en Werkgelegenheid
Portugal	Victor Viegas, Ministério do Trabalho e Segurança Social
United Kingdom	Peter Irwin, Department of Employment
European Commission	Andrew Chapman, DG V/A/1
Technical secretariat	European Centre for Work and Society (Annie Boudier, Heinke Hubert Tony Hubert)

P.O.Box 3073, NL-6202 NB Maastricht.
Tel.043-216724

Rough currency conversion rates

One European Currency Unit (ECU) was roughly equivalent to the following amounts of national currencies in August 1988:

• Belgium	44 BFR
• Denmark	8.0 DKR
• Germany	2.08 DM
• Greece	167 DRA
• Spain	137 PTA
• France	7.06 FF
• Ireland	0.77 IR£
• Italy	1,540 LIT
• Luxembourg	44 LFR
• Netherlands	2.35 HFL
• Portugal	169 ESC
• United Kingdom	0.65 UK£