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SOCIAL ACTION PROGRAMME

ADDITIONAL DOCUMENT I

Extracts of communications from the Commission
on various Community policies with
implications in the social field

ADDITIONAL DOCUMENT II

SURVEY OF THE MOST IMPORTANT ACTIVITIES OF THE EUROPEAN
COMMUNITIES IN THE SOCIAL FIELD

SOCIAL ACTION PROGRAMME

(Additional Documents)

The social activities of the European Communities are not confined solely to the field of social policy. Frequently measures taken in other fields also have social repercussions; all of these should make their own contribution to the achievement of the overall objectives as defined in the action programme. Most other Community policies are, at the present time, the subject of action programmes or communications from the Commission. The first additional document sets out extracts from the various programmes and Commission communications in the fields of economic and monetary, industrial and regional policy, environmental and consumer policy, and scientific and technological policy, in order to demonstrate their contribution to the implementation of a Community social policy. Furthermore, this document recalls existing proposals which aim at increasing worker participation in the management of industry.

The second document takes the form of a descriptive summary of the most important activities undertaken in the social field in past years by the three European Communities (European Coal and Steel Community, European Economic Community and the European Atomic Energy Community). As indicated in the programme (par. 7) the continuity of Community social policy is not affected by the proposed new actions. This policy will be carried on in accordance with the provisions of the Treaties.

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Introduction

This document has been drawn up by the Commission in accordance with the decision taken at the meeting of the Council of Ministers of Employment and Social Affairs on 21 May 1973. It summarises the social aspects of other Community policy documents in such fields as Economic and Monetary Union, Scientific, Technological and Industrial Policy, Regional Policy, Environment and Consumer Protection.

Furthermore it outlines the steps already proposed for increasing the participation of workers in industrial organisations such as are contemplated in the Statute for a European Company and in the Fifth Directive on the Structure of Limited Companies.

Actions in all these fields have a social impact and form part of an overall coherent programme encompassing the whole range of Community activity.

Naturally, the Community's Social Policy must be considered not only in the context of the social action programme as such but in relation to the social content of other Community policies.

This complementary inter-relationship works in two ways. On the one hand the guidelines put forward for social policy have a strong influence on the guidelines and content of other policy documents. On the other, these other policy documents through the very fact of this inter-dependence take on a social aspect which is an essential part of the Community Social Policy.

1. Economic and Monetary Policy

"Communication from the Commission to the Council on the progress achieved in the first stage of economic and monetary union, on the allocation of powers and responsibilities among the Community institutions and the Member States essential to the proper functioning of economic and monetary union, and on the measures to be taken in the second stage of economic and monetary union" (doc. COM(73) 570 final of April 19, 1973).

Drawing lessons from the first stage of economic and monetary union, the communication concludes that "measures adopted for the first stage were mainly centred upon overall regulatory policies. In practice this approach must be supplemented. The cohesion required for achieving the economic and monetary union cannot be obtained by overall policies alone. Regional and sectoral policies are just as important to help the necessary economic adaptation and to facilitate the convergence of economies. During the second stage, it will be necessary to introduce an element of effective Community solidarity, particularly as regards employment and regional development problems" (II. B.2).

Moreover this communication expresses the opinion that "despite the efforts which have been made, the two sides of industry have been insufficiently involved in Community decisions" (II B.5).

According to the "guidelines of action" of this communication, three basic objectives appear to be particularly important for the immediate future :

- the fight against inflation,
- the pursuit of a policy of development and growth providing incentive to build Europe with a human face,
- assumption of an individuality towards the exterior.

"When Community decisions on both general regulatory policies and structural policies are taken, the two sides of industry must be consulted more frequently and especially at the preparatory stage" (III.A.2).

Among the concrete proposals made in the communication on the measures to be adopted during the second stage of the economic and monetary union, the following ones deserve from the social point of view to be emphasized in particular :

- " In the first place, there will have to be emphasis on guaranteed incomes for persons undergoing retraining. This operation should be linked to a certain extent with the creation locally of jobs, which means that a direct connection is introduced between regional policy and social policy. Certain countries do not have sufficient means to carry out this retraining (lack of qualified instructors or of infrastructure) so that additional help will have to be provided to enable them to overcome these difficulties.
- It might be advisable to consider setting up in time a Community unemployment fund. Such a fund could be independent, and its moneys would not be covered by the Community budget. Such a machinery would make it possible to transfer income to redress the balance between areas where structural unemployment is high and those where it is low... " (III.B. 2a).
- Under tax harmonization :
"As regards taxation on the income of natural persons, measures will have to be taken to facilitate the free movement of frontier workers and migrant workers" (III.B. 2c).
- Under the Community budget :
"During the second stage, the new functions assigned to the Community budget must, first and foremost, be directed at social transfers and transfers to establish equilibriums, that is they must be concerned mainly with regional policy and employment policy. Other fields can gradually be brought in or developed " (III.B.2f).

2. Technological and Industrial Policy

"Memorandum from the Commission on the Technological and Industrial Policy Programme" (doc. SEC (73) 1090 final of 3 May, 1973).

After emphasizing that the establishment of a European industrial base is one of the main aspects of the achievement of economic and monetary union, the memorandum states that "the development of industry must henceforth form part of an overall policy for society, striving to improve the quality of life, working conditions and the environment. In this context, development must be directed more towards satisfying collective needs, and reduction and ultimate elimination of regional imbalances in the Community. This will require the harmonious development of the Community's backward regions and the decongestion of regions which are over-industrialized.

The Community will then be in a position to aim for full employment and a more reasonable use of labour, while ensuring balanced economic growth and the best use of the results" (Introd., point 4).

On this subject Chapter V deals with the consistency of industrial policy which other Community aims, and states that the Community's industrial policy must contribute towards the achievement of its main economic and social policies, and that, nevertheless, it is closely bound up with the implementation of programmes of specific action on social and regional matters, the environment and research. In particular the Chapter specifies that "the aims of the industrial policy and of the social and regional policies coincide as regards employment. An efficacious industrial policy should help to create enough jobs for the Community's present and future population. In Particular it should encourage the creation of work in the regions affected by various forms of unemployment and underemployment, and by structural transformations. Furthermore a special effort should be made to increase occupational mobility and thus facilitate the process of industrial modernization.

These social aspects (employment, working conditions, etc...) must be watched constantly in the sectors concerned to ensure that the necessary transformations are organized under socially acceptable conditions. The Commission recommends more systematic forecasting of regional, sectoral and occupational labour trends. Forecast must be coordinated at Community level according to comparable standards. Measures to organize occupational training and retraining can then be properly orientated and given the backing of the new European Social Fund. It is particularly important to assess the consequences of structural transformations on the employment market as far in advance as possible. Only in this way is it possible to take timely steps to ensure the necessary retraining of manpower and the creation of new employment in the affected area. These forecasts should embrace all the sectors, including those for which a manpower increase is probable, particularly the service sectors.

The Commission will shortly submit more precise suggestions concerning the requisite machinery to the Permanent Committee on Employment. It will also request the Council to express an opinion on its proposal for a directive concerning mass dismissals" (Chap. V, point 53).

Moreover, "the Commission will take the regional and social policy measures necessary to offset any detrimental effects in the industrial employment sector resulting from the extension of the right to tender for public supply contracts" (Chap. II, point 28).

"Finally the Community's industrial policy, should take into account the aims of liberalizing world trade and industrializing the developing countries; it should not therefore be aimed at maintaining the old structures but instead at facilitating essential changes. This need for change is particularly accentuated by the rapid progress of scientific and technological research. Furthermore, this evolution has to take place in an increasingly complex social climate in which the workers and their trade unions are called upon to play an ever-growing role not only in the

field of employment and wage levels, but also as regards working conditions and participation in management and in the economic option open to firms" (Introd. point 6). In connection with this, Chapter III of the memorandum recalls that the Commission presented to the Council "the proposal for a fifth directive dealing with the structure of the organs of public limited liability companies, including worker participation" (Chap. III, point 34; for further details see point 7 below).

3. Regional Policy

- a) "Report on the Regional Problems in the Enlarged Community" (Doc. COM (73) 550 final of 3 May 1973)
- b) "Proposal for a Council Regulation establishing a Regional Development Fund" (Doc. COM(73) 1170 final of 25 July 1973)
- c) "Draft Decision by the Council on the Creation of a Committee for Regional Policy" (Doc. COM (73) 1171 final of 25 July 1973).

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a) The document published by the Commission on May, 3, 1973 is the Commission's response to the invitation of the Heads of State or Government at the Paris Summit Conference to prepare a report analysing the regional problems which arise in the enlarged Community and to put forward appropriate proposals; in particular, the creation of a Regional Development Fund and the co-ordination of national regional policies.

Nevertheless, the report does not contain the formal proposals for which the Summit Communique asked, but indicated the guidelines within which these proposals should be made. These indeed have, therefore, been debated thoroughly within the institutions and via appropriate contacts with the social partners.

A detailed analysis of the regional trends and disequilibria, and the aims and instruments of regional policies in Member States, is annexed to the report. The report itself consist firstly of a synopsis of the present situation of regional policy, which remarks. "It cannot be said, that economic activity throughout the Community has developed evenly, nor has expansion been geographically balanced" (II, point 5).

For reasons expounded in the Mandate of the Summit, the main incentive for implementing a Community Regional Policy is based on moral, economic and environmental considerations :

- "Reducing the differences existing between the various regions and the backwardness of the less favoured regions" is an aim of the Treaty of Rome, contained in the Preamble. "No Community could maintain itself, nor have a meaning for the peoples which belong to it, as long as some have very difficult standards of living and have cause to doubt the common will of all to help each Member to better the conditions of its people." (III, points 11/12).
- If the continuous improvement in living conditions of their peoples is another aim of the Treaty of Rome, the Community "owes it to itself to show a comparable advance in furthering the kind of environment which it should offer its inhabitants as the framework of their daily life." (III, point 15).
- "Give areas suffering from regional imbalances the means to correct them and to enable them to put themselves on a footing of more equal competitiveness" (III, point 17).

Chapter IV deals with regional disequilibria which affect particularly "areas with the preponderance of agriculture, areas of industrial change and of structural under-employment".

Against the background of the above analysis the Commission intends to present as soon as possible its proposals. They will be based on the following guidelines (part V):

1. Community regional policy cannot be a substitute for the national regional policies, but must complement them.
2. The Community, as well as giving aid to the poorer regions, should seek agreement between the Member States on common policies to reduce concentration in the congested regions.

3. If Community regional policy is to be successful, it requires not only new incentives and disincentives but co-ordination of the various common policies and financial instruments which exist at Community level with a view to their improved utilization for regional objectives.
4. To ensure the real co-ordination of national regional policies a Community Regional Development Committee should be set up.

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In the context of these guidelines, the Commission has presented to the Council on 25 July 1973 a Proposal for a Regulation establishing a Regional Development Fund as well as a Draft Decision on the Creation of a Committee for Regional Policy; these propositions replace the Draft Decision concerning the Organisation of Forms of Community Regional Development Activity which the Commission presented to the Council on 17 October 1969 as well as the Proposal for a Regulation establishing a Regional Development Rebate Fund presented to the Council on 28 May 1971. The Commission also intends to give full consideration over the coming months to other useful regional policy instruments which have earlier been suggested, such as the establishment of a regional development company and a European guarantee system for loans.

b) In the explanatory statement to the Proposal for a Regulation establishing a Regional Development Fund, the Commission states that, for the Community's assistance to be effective, it must meet three requirements :

- "The Community's assistance must complement rather than substitute the action of Member States" (Para. 2, a).
- "The Community's assistance must be implemented flexibly. This flexibility must be expressed in the choice of investments eligible for assistance, in the speed of procedures and in the level of assistance." (Para. 2, b).

- "The Community's assistance must be based on development programmes or specific development objectives to which the investments conform and which the Committee for Regional Policy has examined." (Para. 2, c).

As regional policy is one of the policies fundamental to the building of Europe, "the Commission proposes to inscribe a sum of 500 million units of account in the Community budget for 1974. At the present stage of its appraisal of the matter, it considers also that the magnitude of regional imbalances require the inscription in the Community budget of sums of the area of 750 millions units of account for 1975 and 1, 000 million units of account for 1976." (Para. 3).

With regard to the function of the Regional Development Fund, the Commission proposes that "the Council shall, acting unanimously, adopt the list of the regions and areas which may benefit from the Fund, and shall, acting by a qualified majority, amend this list as need arises These regions and areas must be chosen from among those which benefit from a system of regional aids and whose gross domestic product per head is below the Community average. They shall include particularly those with regional imbalances resulting from the preponderance of agriculture and from industrial change and structural underemployment" (Article 3).

"The Fund may contribute to financing :

1. investments, in industrial or service activities provided that the amount of the investment exceeds fifty thousands units of account and that it involves creating or maintaining jobs;
2. infrastructure investments, required for the development of industrial or service activities" (art. 4).

"The Fund's assistance shall be decided by the Commission with reference to the relative severity of the economic imbalance of the region where the investment is made and its direct and indirect effect on employment, and taking account of some considerations.....", described in detail in the same article of the proposal. ".....account shall also be taken of other assistance provided by the Community institutions or by the European Investment Bank..." (Art. 5).

"Investments may benefit from the Fund's assistance only if they form part of a regional development programme The programme shall indicate the objectives and the means for developing the region" (Article 6).

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c) With regard to the Committee for Regional Policy proposed by the Draft Decision presented to the Council, the Commission thinks that the Committee should assist the Council and the Commission "with a view to contributing to the coordination of the regional policies of the Member States" (Article 1). "The Committee's task shall be to examine problems relating to regional development It shall study in particular :

- the aims, means, methods and experiences of the Member States in the field of regional policy, taking account of the Community's other policies;
- on a continuous basis, economic and social trends in the various regions of the Community;
- the development programmes or specific development objectives presented by Member States,
- the financial resources which Member States and the Community propose to provide for regional development over a period of years;
- the impact of Community financial instruments in regional terms;
- the coordinated implementation of Community measures, together with measures by Member States,
- systems of aid which are regional in their purpose or incidence;
- disincentive measures in regions of heavy concentration;
- the promotion of better information services for both public and private investors in the field of regional development." (Article 2).

.....
"The Committee may take evidence from interested parties from the regions and from trade union and business organisations." (Art. 5)

4. Environment

"Environmental Programme of the European Communities" (Doc. COM (73) 530 final B and C of 10 April 1973).

As the aims of an environmental policy and a social policy must, by the nature of things, be largely complementary, certain types of projects put forward in the environmental programme come under both fields, "environmental" and "social". In fact, "the aim of the Community environment policy is to improve the setting, surroundings and conditions of life of the Community population. It seeks to bring expansion into the service of mankind by procuring for mankind an environment providing the best conditions of life, and to reconcile this expansion with the increasingly imperative necessity of preserving the natural environment." (Part I, Para. 1).

The Environmental Programme presented by the Commission consists of three types of project:

- Projects aimed at reducing and preventing pollution and nuisances;
- Projects intended to improve the environment and the quality of life (Protection of the natural environment, the problems posed by the depletion of certain natural resources, the optimum distribution of activities and people with a view to protecting or improving the environment, the improvement of the working environment ...);
- Community action or, where appropriate, joint action on the part of the Member States in the international organizations dealing with environmental questions (Part III, introd.).

Without any deliberate intention to ignore the social aspect of the protection and improvement of the "external environment", this memorandum is concerned with outlining the two projects proposed for the "internal environment", viz :

- A. "to improve the working environment". The creation of better conditions in places of work is high on the list of priorities. Efforts should be directed in particular towards research into improved accident prevention

by taking a new look at the classical methods of medicine, industrial hygiene and job safety and towards a real improvement in working conditions, thus ensuring that these are safe and acceptable." (part I, III.2).

Part II, containing a detailed description of the actions to be undertaken at Community level over the next two years, states that "a working programme will be drawn-up, implemented and integrated into the Social Action Programme" on the basis of exploratory studies launched in 1972, which will be finished during 1973. This work is based on the following plan (Part II, II.4):

1. Information to be collected, processed and disseminated:

- assessment of environmental factors and noxious emissions,
- methods for assessing actual complex situations (effects of environmental factors and noxious emissions on people, on firms and on society as a whole).

2. Proposals and Development

- practical strategy to combat industrial hazards and exposure to hazards,
- specifications to be met by machinery, products and all other equipment, to ensure safety of use,
- development of industrial hygiene equipment, application of ergonomic principles for remedy and improvement,
- promotion of ergonomic design for new plants,
- human and sociological aspects of the organization of work, methods for increasing job satisfaction and encouraging effective participation.

In co-operation with the national authorities and industrial circles, the Commission intends using the following means :

- carry out and promote methodological research,
- promote practical measures,
- organize training of the necessary personnel;

- set up information networks,
- propose general outline measures and reference values for checking specific risks,
- organize a far-reaching information campaign.

B. "The creation of a European Foundation to improve living and working conditions responsible for drawing up a long-term study of the factors, which could help in improving living conditions in the future. The studies done by the Foundation would have to deal with the adjustments needed to be undertaken by society to provide acceptable living conditions for its members. At this proposed level, any distinction between environmental and working and living conditions would be artificial.

Furthermore, before December 31, 1973, the Commission will suggest the creation of a Foundation covering both the proposed European Institute of the Environment, previously put forward by the Commission, and the Foundation to improve living and working conditions, proposed by France at the Paris Summit." (Part I, III.2, Part II, II.5).

Part II contains a list, by way of example, of a number of questions which could profitably form the basis of the Foundation's research. This list does not claim to be exhaustive, nor is there any suggestion that research on the questions listed must necessarily begin at once :

1) Improvement of working conditions

- Changes in industrial practices with a view to eliminating tasks of a physically or psychologically laborious nature,
- Creation of incentives in industry: (relations at all levels within the hierarchical system, pay scales, promotion and career prospects, further education, retraining, etc.),
- Working hours (flexible timetables, part-time working, retirement age, duration and allocation of holidays).

2) Improvement of living conditions

- Living space in the towns (different types of dwelling, optimum utilization of available territory, preservation and renovation of the old quarters of towns and cities and of town centres, new towns),

- Development of transport (the motor car and group transport, new means of transport),
- Development of communications and the data-processing revolution, the "push-button" society, political and cultural implications,
- Social integration of migrants, notably those from non-Member states.

The body to be created must be capable of providing the stimulus needed to promote research and experimentation in furtherance of Community and Member State objectives, while at the same time ensuring that such a body does not become a more centralized research agency competing with centres or institutes already in existence. The intervention procedures in question could be as follows : draw up a list of all Community research which falls within the terms of reference of the Foundation - facilitate contacts and co-operation between institutes, research centres and research workers - contribute, in whole or in part, to the financing of research of experiments in connection with the objectives assigned to the Foundation on the basis of directives to be laid down by the institutions of the Community - ensure that the findings of this research and experimentation are disseminated - compare notes with similar institutes and bodies in the non-Member states.

5. Consumers Protection

At the Conference of the Heads of State or Government in Paris, it was intended that the Social Action Programme to be drawn up by the Institutions before January 1, 1974 should, among other things aim at "strengthening and co-ordinating measures of consumer protection" (Final Communiqué, par. 6, last sub. par.).

In view of the specific problems experienced by consumers, the Commission intends undertaking three concrete measures to build up greater consumer protection :

1) The Creation of a Consumer Advisory Committee

Preparatory work is underway for the creation of this Committee and consumer bodies are being consulted. The Advisory Committee's statute has been submitted to the Commission for approval. It is hoped that

The role of the Advisory Committee will be to strengthen collaboration with consumer organisations and help to build up the Commission's awareness of the needs and requirements of European consumers.

2) Drawing up a Consumer Protection Programme

Before the end of the year the Commission is planning to publish a Community Consumer Protection Programme. This Programme is at preliminary draft stage and will be submitted to consumer organisations for their advice.

3) The strengthening of the Commission's department dealing with consumer questions

The former special service has become a Division within an autonomous department "Environment and consumer protection"; the staff of this Division has been considerably expanded.

6. Scientific and technological Policy

"Scientific and Technological Programme" (Doc. COM(73) 1250 final from 25 July 1973)

The draft programme that the Commission has presented in accordance with the decisions taken at the Paris Summit Conference has the aim "progressively to implement a common policy on scientific research and technological development, notably as a means of helping to achieve the aims set out in Article 2 of the Treaty establishing the European Economic Community." (Introduction, page 2, para. 3).

"The implementation of a common scientific and technological policy consists in taking as its basis an evaluation of expressed or felt needs, and on this basis :

- jointly selecting and drawing up a coherent set of long-, medium- and short-term objectives and the priorities to be complied with in achieving them;
- ensuring the coordination of national policies;
- determining those projects of Community interest on which work should go ahead;

- setting up permanent consultative machinery, through which the Member States can, whenever the need arises, decide on the common attitudes to be adopted vis-à-vis third countries or within international organisations;
- determining the resources required in order to achieve the objectives decided upon and choosing the administrative or technical structures best suited to this purpose." (Introduction, page 2, last para.)

Prior to embarking on the first stage, the Commission has listed the relevant activities under six main headings :

- 1) Coordination of national policies,
- 2) promotion of basic research,
- 3) measures in support of Community policies,
- 4) scientific and technical information,
- 5) tasks in connection with public service and scientific and technological services,
- 6) long-term research - outlook - methodology.

In order to facilitate the immediate solution of the problems outstanding, an outline programme for the joint execution of projects of interest to the Community is proposed (heading 3).

As far as the social sector is concerned, the proposed programme for the initial stage deals with the medical research sector.

Given the fact that an increasing part of the national product is devoted to the financing of benefits in the case of sickness, the Commission thinks that "it is therefore of importance to study how optimum use can be made of the funds devoted to public health. Medical research is the best way of achieving this purpose, and forms an integral part of any health policy. Its human and economic value are inestimable. Its true end is the enhancement of life." (Part II, A.1, page 3, paras. 1 and 2)

The proposed programme comprises the following tasks :

- 1.1. The organisation of one summer course per year for the training of research workers and clinicians in new medical research techniques methodologies;
 - 1.2. The organisation of two seminars per year for the training of students and young clinicians in new medical techniques;
 - 1.3. The award of study grants for the training of clinicians and research workers in the "Monitoring of Seriously Ill Persons".
2. The preparation, in collaboration with specialist Community research organisations and laboratories, of research projects of joint interest in the following fields :
- 2.1. psychological and toxic factors in traffic accidents;
 - 2.2. deafness, including the harmful effects of noise, and with particular regards to the effects of congenital disorder;
 - 2.3. embryotoxic and genetic factors in congenital diseases;
 - 2.4. research on infectious diseases, particularly virus diseases and hospital infections;
 - 2.5. psychological, physiological and metabolic aspects of the ageing process;
 - 2.6. psychosomatic and metabolic factors in digestive diseases.
3. Researches on the continuous and real-time monitoring of seriously ill persons with the aid of computers.

Community action on medical research and the coordination of the projects proposed above with national activities would be implemented with the assistance of the Committee on Medical Research and Public Health set up by the PREST Committee, or its successor." (Part II, A.1, pages 4 and 5).

As to the timetable foreseen, the first research proposals in fields 2.1, 2.2 and 3 should be ready by 31 March 1974 and those in fields 2.3 - 2.6 by 31 December 1975.

Furthermore, it may be emphasized that the outline programme contains also a chapter dealing with environment research: "The aim of Community research activities in connection with the environment is to provide scientific and technological knowledge necessary or useful for implementing a Community environment policy as described in the Action Programme submitted in document COM(73)530. The primary aim is to support action to reduce the pollution to which that programme refers. More particularly, the tasks consist in the evaluation of hazards from pollution to human health and the environment, the measurement of pollution, the establishing of standards, the definition of environmental quality objectives, and projects specific to certain products, certain industrial sectors, energy production and pollution of the sea.

If necessary, research will also have to be undertaken on the safeguarding of the environment, the depletion of certain natural resources, urban development and open spaces, and the improvement of working conditions." (Part II, A.5. § 1)

As mentioned in the general calendar introduced by the Commission concerning the work to be done, proposals of social interest others than medical and environmental research will be elaborated by the Commission in collaboration with the Group CREST. These proposals could, among others, deal with the social sciences.

7. The collaboration of workers in the organs of undertakings

The final Communiqué of the Conference of Heads of State or Government in Paris specified that the Social Action Programme to be drawn up by the Commission should aim, among other things, at "closely involving workers in the progress of firms". The "Guidelines for a Social Action Programme", presented by the Commission on April 18, 1973, recapitulated the proposals which the Commission has submitted to the Council on a statute for European Limited Companies and the Fifth Directive on the harmonisation of Company Law:

-- Proposal for a Statute for European Limited Companies (presented to the Council on June 30, 1970)

Articles 100 to 148 of Title V of this proposal provide for three types of collaboration, which should not be considered in isolation, but as a coordinated operation. The proposals in these paragraphs concern :

- the creation of a European company committee,
- the introduction of workers into the supervisory board,
- the conclusion of European collective agreements.

A European company committee must be set up in every European firm which has places of business in several Member States. Its competence will be limited to those affairs involving the company as a whole or a number of its places of business. The members of the committee will be appointed by the workers of all the places of business in accordance with local national legislation; the committee will have powers over information, consultation and endorsement.

Workers will be entitled to send representatives to the supervisory board of European Limited Companies in a proportion of one worker representative for two shareholder representatives. In addition to a legally stipulated one third participation on the supervisory board, the statute for the European company under consideration may provide for greater representation of workers. They will be appointed from a list by the members of the national company committees.

Furthermore, there will be no worker representation on the Supervisory organ if at least two thirds of the staff of the company object to the principle of representation.

Thirdly, if the company or Trade Unions represented in the place of business so desire, the working conditions of workers in European companies may be governed by collective agreements concluded between both parties.

- Proposal for a Fifth Directive on the Structure of Limited Companies
(presented by the Commission to the Council on October 9, 1972)

This proposal lays down that every limited company must have a management organ, a supervisory organ and a general meeting of shareholders. On the participation of workers, the proposal stipulates that in companies employing 500 staff or more, there must be worker representation on the supervisory board.

The Member States may choose between two systems :

- not less than one third of the members of the supervisory organ shall be appointed by the workers or their representatives;
- the members of the supervisory organ may be co-opted (with the proviso that the general meeting of the worker's representatives may object to the appointment of a proposed candidate).

ADDITIONAL DOCUMENT II

SURVEY OF THE MOST IMPORTANT ACTIVITIES OF THE EUROPEAN
COMMUNITIES IN THE SOCIAL FIELD

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1. Introduction

It is the purpose of this survey to trace the trends in social policy from the origin of the Community through to the present short-term prospect. It is limited to an account of the main activities, and attempts above all to demonstrate the lasting value of the instruments hammered out over two decades of European-inspired effort.

The social policy of the Communities is based on three Treaties : the Treaty of Paris, setting up the ECSC, which has applied since 1952 to coal, iron ore and steel, and the Treaties of Rome, establishing the EEC, covering all economic sectors, and Euratom (EAEC), for nuclear questions; both of them have been in force since 1958.

These Treaties are economic and political in nature, but it must be stressed that the goals pursued, extrapolated in the widest sense, are also socially-oriented. The aims consist of ensuring a rise in standards of living, a constant improvement of conditions in which the peoples of the Community live, and as efficient system of health protection as possible for the public at large and workers, eg. against radioactive risks.

In practice these three Treaties provide radically different types of support for Community social actions, even though their general aims are the same.

The ECSC Treaty contains rather precise rules on, for example, granting loans for investment, continuity in employment for workers in the coal and steel industries, vocational training and retraining for these workers, and their living conditions.

In contrast, the Treaties of Rome are more like framework Treaties laying down mainly general rules. But there are also more concrete guiding rules, when they lay down the aims to be achieved with a certain precision, as is the case for freedom of movement for workers and for the social security of migrant workers. Then there are provisions whose contents are quite specific, eg. equal pay for equal work as between

men and women, and maintaining the existing equivalence between paid holidays systems.

There is yet another marked difference between the Treaties of Paris and Rome. In order for the ECSC Treaty to be applied and the action programmes based on it to be implemented, it granted financial resources specifically to its Executive College (originally the High Authority, and since 1967, the European Commission). Thanks to this, the policy of this Community institution has been able to follow a certain autonomy since the beginning of the Common Market in 1953. The two other Communities will not be able to call on their own resources to any appreciable extent before 1975, even though their constitutional texts have provided for this from the very beginning.

In spite of the rather accessory nature of social policy instruments, it has been possible to gradually develop the social actions as provided for in the three Treaties; these actions have become extremely diversified. They have progressed in a pragmatic way according to the demands which have become progressively apparent during the development of the Communities in a fast-moving political and economic context.

Two broad stages can be outlined in the development of the European Social Policy. One extends from the beginnings of the Communities up until the merger of the Executive Bodies on 6 July 1967, and the other covers the period since then.

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II. From the beginnings of the Community to the merger of the Executive Bodies (1953 - 1967)

1. The Social Actions of ECSC

The High Authority made, as far as the manifold social aspects are concerned, ample use of all the opportunities created by Articles 46 to 48 of the Treaty, particularly as regards studies and social documentation. The duty to consult and inform the two sides of industry, conferred upon it by the Treaty, led the High Authority to set up in 1956 two Mixed Committees "Steel" and "Coal", where representatives of workers and employers (and, for coal, the Governments) undertake a joint examination and comparison of working conditions of the manual workers. In 1965 two committees were set up along the same lines to study the problems connected with non-manual workers. Despite the efforts made, the valuable documentation work carried out by these bodies has not led to framework collective agreements being signed between employers and workers.

Furthermore, the High Authority has participated financially in the construction of social housing and vocational training centres. In order to do this, it based itself on Article 54 of the Treaty, according to which it can assist the financing of works and installations which contribute to increasing production by granting or guaranteeing loans.

In addition, under Article 55 it could consider that financial encouragement for research into occupational safety also implied actions in the directly related fields of medicine, health and occupational physio-psychology. The Mines Safety and Health Commission as well as the Steel Industry Safety and Health Commission were set up.

However, even a broad and flexible interpretation of the Paris Treaty did not always suffice to enable the High Authority to adjust its activities according to the constant development of requirements. It therefore tried to fill in the most obvious gaps by using the procedures instituted by the Treaty itself.

With action, like principles, the revision of article 56 had the greatest social and political importance. In the original text of article 56 on conversion and retraining measures, only crisis resulting from accelerated technical progress were covered, and such stringent conditions were imposed that no practical use has ever been made of the original article. The High Authority took the initiative of proposing to the other ECSC institutions that article 56 should be supplemented so that its field of application should be extended in case of serious disturbances in the marketing of products on the Common Market. This extension was successfully achieved after various phases in the Community revision procedure, in accordance with article 95, by adding paragraph 2 to article 56.

The political importance of this move cannot be overstressed. The use of combined possibilities for converting undertakings or retraining workers was later to prove to be one of the most effective methods of sparing labour from the negative effects of technical progress.

2. Euratom Social Actions

; In the nuclear field, the procedure for drawing up the basic standards was instituted by the Commission at the beginning of 1958, in accordance with article 218 of the Treaty. On 2nd February 1959, the Council of Ministers promulgated basic standards on the health protection of workers and the general public in the form of Directives.

Promulgating the basic standards represented the first stage of European action in the field of radiation protection. It gave the Member States a Community foundation for basing national legislations on uniform values and principles (articles 30 and 32 of the Euratom Treaty). For their part the Member states are required to "lay down the appropriate provisions, whether by legislation, regulation or administrative action, to ~~ensure compliance with~~ the basic standards which have been established" (Article 33 (1)).

The Commission examines the provisions communicated to it in the form of drafts by the Member States before they are promulgated. This is not only to check that they conform with the standards, but also in order to ensure a harmonisation of the provisions planned in the various countries (Article 33 (3)). Similarly, the Commission is informed by the Member states about any plans for the disposal of radioactive waste, and is

obliged to give its opinion in advance for every case (Article 37).

In order for Community policy on health protection to be effective and remain valid, it must have scientific backing via a programme of research and studies on radiation protection and radiobiology. Therefore since 1961 the Commission, in close collaboration with the Member States, has been carrying out research programmes aimed at improving knowledge of the effects of ionizing radiations on man and his environment, in order to prevent harmful effects.

While organising a policy of prevention and protection, the Commission has not lost sight of the importance of education and training for nuclear workers. It organises symposia and seminars for those in charge of medical control, the physical control of nuclear installations, the training of staff, representatives of the two sides of industry, and publishes guides on radiation protection. These all go to make up an essential part of a mutual information programme and the training of workers in radiation protection and individual protection (Article 7 and 9).

3. The social actions of the EEC

The Commission has been able to implement all the articles in the EEC Treaty concerning precise objectives. Regulations 3 and 4 on social security for migrant workers (article 51) have been in force since 1.1.1959; the European Social Fund (articles 123 to 127) was able to begin its activities in retraining and the resettlement of unemployed workers on 20.9.1960; the first Regulation (n° 15) on freedom of movement for workers (articles 48 to 50) was implemented on 1.9.1961; later, Regulation n° 38 introduced the second stage of freedom of movement on 1.5.1964.

The principle of equal pay for equal work as between men and women (article 119) has not been entirely achieved within the time-limits laid down by the Treaty, and developments in this field have been generally unsatisfactory. Maintaining the equivalence of systems of paid vacation existing in 1958 (article 120) has not encountered any difficulties (see Studies n°s 2 and 18 in the "Social Policy" series).

The general principles for implementing a common vocational training policy (article 128) were adopted by the Council by simple majority on 2nd April 1963. The principle, dealing with the need to organise vocational training on a broader basis, has since then been put into practice in a very extensive way.

In the interests of promoting improved working conditions and improved standard of living for workers, so as to make possible their harmonisation while the improvement is being maintained, and of promoting close cooperation between Member States in the social field (art. 117/118, the Commission has undertaken contacts with Governments and employers' and workers' organisations, and it has drawn up many reports and studies which have all helped to create a better "transparency" of the social situation and have encouraged the distribution and exchange of ideas in all quarters.

In addition, the initiatives taken by the Commission with regard to symposia, seminars and conferences on technical progress, social security, vocational training, social policy in agriculture, social policy in transports, social services, housing, vocational safety and occupational medicine should be recalled as well as the numerous statistical enquiries concerning wages and labour costs, employment, family budgets and social accounts, and emphasis should be laid on the efforts made to harmonise social statistics in the Six (employment, wages, working hours, accidents at work...).

Over the year, the Commission has addressed several Recommendations to the Member States based in particular on the studies it has produced. Although not binding on the Member States, these recommendations have stimulated social legislation in all Member States. Such was the case for recommendations on the following subjects : industrial medicine in undertakings (20.7.1962), the adoption of a European list of occupational diseases (23.7.1962), the conditions covering reimbursement for victims of occupational diseases (20.7.1966), medical checks for workers exposed to particular risks (27.7.1966), vocational guidance (18.7.1966), the social services for workers moving within the Community (23.7.1962) and the protection of young workers (31.1.1967). However, the recommendation on housing for workers and their families moving within the Community (7.7.1965) found little response at national level.

As it is aware that a social policy cannot possibly be carried on without calling upon and gaining the support of trade unions and employers' organisations, the Commission has always acted in close contact with these bodies. This collaboration has taken place both in an institutional as well as a non-institutional fashion.

At the institutional level, apart from the Economic and Social Committee, which has a general vocation, birth has been given to Advisory Committees for freedom of movement for workers (1959), for the European Social Fund (1960) and for Vocational Training (1964), all constituted on a tripartite basis.

At the non-institutional level, there has been a gradual increase in the number of Joint Committees and working parties for certain industrial branches. The Commission has also, following a policy of pragmatism, called Community-level meetings with representatives of trade unions and employers' organisations, in which the broad lines of social policy have been regularly discussed. In a similar way several sub-groups have been operating at Community-level to study certain specific subjects in more detail.

III. From the merger of the Executives to present prospects (1967-1973/75)

1. Towards a global understanding of Community Social Policy

From 1953 - 1967, social policy was largely considered as an essential fellow-traveller along the path towards the Customs Union and economic integration, which was supposed to spill-over from the Customs Union more or less spontaneously. The experience gained in the social field as a result of the gradual application of the Paris and Rome Treaties was, however, going to provoke questions about the very foundations of Community social policy.

The numerous activities carried out by the ECSC would show how it was feasible and necessary to closely integrate social and economic elements in properly planned operations in the coal and steel sectors. The "Political Report" published by the High Authority in February 1965

stressed particularly that social policy has and must have its own constructive value, and not be conceived merely as a corrective factor to economic policy. Furthermore, in its action programme for the second stage published in October 1962 the EEC Commission stated that the Community should have its own social policy, co-ordinated with the other elements of Community policy. It reiterated its views in the "Guidelines for the Commission's Work in the Social Affairs Sector", submitted to the Council in November 1966. In this document it expounded the basic idea that the social aims of the Treaty could never be achieved by simply implementing the Common Market; individual initiatives of a social nature were also needed. According to the Commission, the general framework of Community action is the one in which both economic and social aspects of development should be integrated in a global and realistic way.

The merger of the Executives enabled the Commission to undertake in a new light a series of tasks previously incompletd or disjointed : industrial policy, policy of technical and scientific research, energy policy, regional policy.

Furthermore, the Customs Union was achieved in July 1968, 18 months earlier than planned in the original timetable, and the future Economic and Monetary Union is already bringing together a large part of European efforts and hopes. For the future, the Commission is planning on action in the social field in an extremely broad context.

In view of continuing developments within the Communities, marked more particularly by the extent of structural changes in our industrial society, it is generally felt that an higher degree of coherence in social actions is absolutely essential.

The implications, social or otherwise, of the common and Community policies to be followed have, since 1967, been considered by the Commission in the general framework of the programmes for a medium-term economic policy. The problem of structural changes has provided the basic theme of the second programme of economic policy.

On the basis of this programme and a resolution approved by the Council in February 1968, the Commission submitted two reports to the Council on "the correlations between social policy and the other policies of the Community". The Council used the first of these reports as a basis for adopting a series of conclusions in March 1969, stating particularly, "... a social policy imbued with the spirit of progress cannot have a role simply limited to correcting the effects of economic measures in a social sense; it must also help to define economic objectives themselves. From now on it is essential to ensure that the various economic measures should not be drawn up and implemented without taking account of social demands at the stage of their conception."

At the Council session in February 1971, it was finally decided to enter the phase leading to the achievement of a real Economic and Monetary Union. This new dimension opened up by the Council gave the necessary and logical support to the new direction of Community social policy, a general direction, going far beyond the limits imposed upon it till now by the Treaties.

In view of this, the Commission published on 17 March 1971, the "Preliminary Guidelines for a Community Social Policy". These concurred largely with the third medium-term economic policy programme. These "Guidelines" indicated quite clearly that balanced and sustained economic growth was an essential condition of social progress, but that satisfactory economic growth, in its turn, depended on security and progress in the social fields. As the third programme stressed: "Our societies must succeed in reconciling these two aspects".

The "Guidelines", intended not only for the Council of Ministers, but also for the European Parliament, the Economic and Social Committee, the ECSC Consultative Committee and the two sides of industry, stimulated reactions on a very broad scale. This opened the way for the gradual drawing up of a coherent action programme, designed to achieve in stages the close concertation of the social policies of the Member states, emphasised as a need by the Conference of Heads of State or Government meeting at the Hague in December 1969.

At the end of the Paris Summit that took place on 19 to 21 October 1972, the Heads of State or Government adopted a declaration giving formal confirmation to the new dimensions of social policy by providing strong stimulation to the democratisation of social and economic life (point 6 of the Communiqué)

2. New milestones in a dynamic employment policy

Being sensitive to the balanced development of social and economic progress, the Commission was instrumental in setting up complete freedom of movement for workers within the Community. Thanks to the Regulation n° 1612/68 adopted by the Council on 15 October 1968, freedom of movement for wage earners has been basically established, nearly 18 months earlier than planned for in the Treaty of Rome. In 1970 the Commission rounded off these provisions by a Regulation on the right of workers to remain in the territory of a Member State after having been employed there. The revision and co-ordination of the Regulations on social security for migrant workers has been going on since 1970 and led on 1 October 1972 to the implementation by the Six of two new basic Regulations, and to the application of these Regulation in the nine Member States as from 1 April 1973. Furthermore, a survey will be carried out in order to enable a report on the actual situation, going beyond the legal situation, to be established, as regards integration of workers and their families in their new style of life and work.

As regards employment, the Commission has continued and extended its reports on the evolution of the labour market, both for retrospective and forecasting purposes. These reports provide material for regular Council discussions on development in the labour market according to country, branch of activity, category and region. Efforts aimed at gradually achieving a concerted employment policy at European level have been greatly encouraged by the starting up in March 1971 of the Standing Committee on Employment, constituted on a quadripartite basis. The Committee was given the task by the Council of "ensuring close contact between the representatives of employers' and workers' organisations at Community level, in order to facilitate the co-ordination of the Member States' employment policies by harmonising them with Community objectives".

As regards contacts between and the clearing of applications and vacancies in employment, article 15 of Regulation n° 1612/68 provides for a uniform system for distributing all the necessary information. A "European system for matching vacancies and applications in employment"* has just been adopted by the Commission in December 1972. It has been developed in such a way as to enable the most modern methods of transmission

* This "SEDOC" system is based on a nomenclature of more than 900 professional activities.

to be used.

In its first note (April 1972) on the Memorandum from the Italian Government on employment policy in the Community, the Commission put particular emphasis on the close correlation between the employment policy to be undertaken for underprivileged regions and regional policy. It proposed, amongst others, the creation of groups of leading figures to carry out integrated socio-economic actions and assisted freedom of movement. The Council has given, in principle, its approval to some of these proposals, which will be extended over the next few years.

In the directly related field of vocational training, the Commission has supervised the implementation of the 3rd ECSC Programme which was completed in 1970. From 1969 onwards, the gradual harmonisation of national programmes of training and education in nuclear science and techniques was given a new impetus by the Commission, which used the results of its own surveys on the actual situation in the Member countries to carry out its plans on approximation. In July 1971, the Council approved the "General Guidelines" for vocational training, which the Commission described afterwards in an action programme for 1972-74 ("Preliminary Measures"), consisting of developments in policies, structures and the organisation of vocational training, research into vocational training, approximation of training levels, adjustment of training methods, priority problems of training concerning certain groups of people, certain economic sectors and certain regions.

For measures to encourage the re-employment of workers, the Commission continued the policy of vocational retraining and industrial conversion in the mining and steel sectors started by the High Authority. At the level of the Community, more than 100.000 jobs have been created with the help of conversion loans totalling 259 million u.a. granted by the Executives at a reduced rate from 1960 to the end of 1972. Assistance for retraining has come to 190 million u.a. since 1954 and has helped nearly half a million workers in basic sectors.

Up until 1 May 1972, the activities of the European Social Fund were limited to covering 50 % of expenditure disbursed by the Member States or by bodies coming under public law to guarantee workers productive re-employment through vocational retraining and resettlement allowances. In this area, from 20 September 1960 to 31 December 1972, the Fund granted (retro-actively) assistance totalling 265 million u.a., aiding more than one million

persons. Since 1 May 1972 the Social Fund underwent basic reform and was turned into an active instrument of employment policy with increased funds: in 1972 the new Fund had at ^{its disposal} credits amounting to 50,1 million u.a., and for 1973 credit forecasts came to 177,9 million u.a. together with a complementary budget of 120,0 million u.a. which has been requested, this in order to cover the running down of the old Fund and extension of operations of the new one, largely as a result of the enlargement of the Community from Six to Nine. Under the new Social Fund, the decision has been taken to enable the Commission to already commit expenditure amounting to 184 million u.a. from the 1974 and 1975 financial years, without prejudicing subsequent increases of credits to satisfy further applications. It has already been decided that the Fund should act to assist people leaving agriculture or the textile industry. The Commission is continuing to study programmes to determine what the repercussions of the Common Market will be on the economies and to decide what measures should accompany Community policies. These studies should be supplemented in certain instances by pilot schemes, for which it should be possible to use the new Fund.

In the field of social housing, the European Commission also continued the work begun by the High Authority of the ECSC. In addition to the first six programmes of aid for building which had been carried out successively since 1955, it added a seventh, which was decided on in October 1969, started in 1970 and expected to be finished in 1974. From 1955 to the end of 1972, loans at low rates from the ECSC contributed to the financing of 122,600 dwellings, of which 112,500 were completed. The resources mobilised at the Commission's initiative came to 305,8 million u.a. In the framework of a third experimental programme, the Commission will aim at encouraging the modernisation of existing dwellings by research into new industrialised methods, helping to improve productivity, reduce the time needed for renovation, save on skilled labour and reduce costs.

3. Community stimuli for improving living and working conditions

On the problems of incomes and assets, the Commission's activities have demonstrated its desire to play an active role, as far as possible, in encouraging developments which would, on the one hand, be compatible with the realisation of the Economic and Monetary Union, and on the other, respond to the general aim of greater social justice. The Commission aimed

above all, at situating the question of wages in the broader context of all incomes and assets. There has been an increasingly thorough analysis of the results of various wage enquiries, covering statistics on earnings, labour costs as well as on the structure and distribution of wages. A study was carried out on the phenomenon of wage drift, which the Commission is using as a basis for comparing developments in minimum wage rates written into agreements, and earnings. Furthermore, the Commission has published a report on systems of encouraging asset-formation among workers; conclusions will be drawn up in which the Commission will try to indicate a number of important concrete guidelines for the Council. It is preparing a study on the tertiary sector's role in the inflation process. In a more general way, part of its future activities will be aimed at substantially improving the level of knowledge on non-wage incomes and the distribution of capital and assets, and the socio-economic problems they involve.

At the same time, the Commission will make determined efforts to ensure that the principle of equal pay for men and women, expounded in Article 119, is achieved in all the Member states. Basing itself on the 6th annual report on the subject, which has been submitted to the Council on 31 July 1973, it will see to it that new forms of action are put into practice, be they of a purely legal nature (appeal, if necessary, to the European Court of Justice against the defaulting of certain governments), more technical ones or those coming under collective agreements. Finally, so as to promote the improvement of women's working conditions on the broadest scale (employment, family policy, etc.) the Commission will continue with the work it has undertaken. It will use the studies and reports in progress and still to be started, for drawing up conclusions which could be used as foundations for the implementation of a Community programme.

In the fields of labour and social law and working conditions, the Commission submitted a report to the Council, which included proposals on the points which should be harmonised in the field of provisions for workers in case of dismissal, with a comparison of the various forms of guarantee, time-limits and compensation. It drew up a draft Directive on the harmonisation of provisions for the protection of workers in case of mass dismissal, and is continuing its studies on information and consultation, at various levels, with bodies representing the workers.

The proposed 3rd and 5th Directives (on the structure of limited companies put forward in October 1972) and the draft Regulation on the "Statute of European Companies" all provide for the collaboration of workers in the bodies of undertakings. The Commission is considering the advisability of drawing up a legal instrument at Community level relating to the social effects of international mergers and concentrations (draft agreement based on EEC article 220). The Commission will continue to carry out studies on the law of collective agreements^{and others}. Furthermore, every year it will publish comparative tables on working hours, which could be used in some economic sectors and branches as a basis for harmonisation in the field; this work will be carried out in close collaboration with labour and management.

On social security, an "overall harmonisation" in a progressive framework has undoubtedly resulted in continued growth of that part of national income accounted for by all expenditures of this nature : from 12 to 18 % in 1958 to 20 to 24 % in 1971, depending on the country. But, as the authors of the Treaty had intended in the first place, this was mainly due to the "functioning of the Common Market itself". This allowed for unprecedented economic growth and, in addition to Community actions - which have helped expand knowledge in each country - also enabled developments and projects to take place in the rest of the Community. Many comparative studies have been published on the physiognomy of social security, legal benefits, the financing thereof, complementary contractual schemes... Other studies will be published on social security and public health (relations between the medical services and social security, consumption of pharmaceutical products, hospitalisation). The Commission has, for the first time, published "indicators on social security" in 1971. Since 1967, proper studies have been carried out, mainly on the economic and financial problems of social security, due to the fact that this accounts for an increasingly large part of GNP. Work will be started on the gradual co-ordination of social security schemes for self-employed persons.

The Commission's activities have recently been extended to medium-term forecasts, a first step towards drawing up a European Social Budget requested by the Council of Ministers in November 1970. In 1973 the Commission finished a series of preparatory studies aiming at drawing up a first European Social Budget (1970-75), the synthesis of which would be available in 1974.

Questions connected with family policy and social services have been regularly dealt with in Commission's studies and publications. The Commission draws up regular reports on developments in the social services designed to help individuals and groups of people to adjust to various living and working environments, by putting particular emphasis on certain categories, such as young people, migrants, handicapped workers and elderly persons. A general study on the various problems of old age in the Six will be brought out in the near future, and could help in developing a concept in this field.

The health protection of workers and the general public has given rise to numerous actions by the Commission. In ECSC sectors the Commission has carried out a number of research programmes spread over several years, which have enabled the technical and human aspects of industrial safety, health and medicine to be gone into more thoroughly.

Industrial safety is an area where the Commission has been concerned with drawing up general provisions on protection in the use of certain dangerous machines or substances. The aim has been especially to work out rules on technical safety for operating agricultural machinery.

In another sphere, that of the social, occupational and medical integration of physically and mentally handicapped, the Commission has drawn up proposals involving the preparation of a Community work programme and specifying areas where action could be undertaken immediately. At the same time, the Commission has indicated its views on the rehabilitation of handicapped workers (co-ordination, research, development).

The Commission will ensure the approximation of existing provisions on industrial safety in the sectors of production, according to the degree of urgency and the risks present, in close collaboration with the two sides of industry within existing Joint Committees or those still to be created. It will encourage cooperation between national safety institutes with the aim of strengthening co-ordination in research and methods of prevention.

On radiation protection, which is governed at Community level by Chapter III of the Euratom Treaty, the Commission's actions will continue to expand on three levels : regulations, technical application and scientific research. The basic standards revised in 1973 will be the subject of a Directive applicable in the Member states, the effect of which will be felt in 1974.

The Commission will do what is needed to implement the first stage of the objective evaluation of the risks connected with environmental pollution, with special reference to lead, mercury, sulphur dioxide, carbon monoxide, cadmium, etc... Exploratory studies undertaken in 1972 have made it possible to establish future guidelines and possibilities for action which could help in drawing up Community proposals on the protection of air, water and soil in the environment.

4. Community support for a greater democratic participation by the social forces

As it has gradually become apparent, through the interaction of events and ideas, that the main objective of harmonising living and working conditions in a progressive framework largely implied joint action by the two sides of industry, in recent years, workers' and employers' organisations have been called upon to collaborate more and more in constructing Europe, either at the level of the Community as a whole, or in certain socio-economic sectors.

For its part, the Commission has worked hard to ensure that contacts and discussions at Community level should blossom between workers' and employers' representatives, and that collective negotiations should get under way on a sectoral basis. It is absolutely determined to keep going forward along this fruitful path.

The ECSC Mixed Committees "Steel" and "Coal" have been joined by several joint committees for other sectors of the industry for which the Commission assumes the secretariat. Even before the merger of the Executives, such joint committees were created for wage earners in agriculture and road transport. Since the merger, other joint committees have been set up for inland waterway navigation, sea-fishing and railways.

Various joint committees and working parties have proved through experience to be invaluable forums for studying and examining in depth the most contemporary social problems prevailing in the various sectors.

The work done by these committees have led to two common understandings signed at Community level on maximum working hours for permanent agricultural workers (1968) as well as for agricultural workers engaged in stock-farming (1971). June 1972 saw the countersigning of a joint

declaration by employers' and workers' organisations in seafishing concerning the harmonisation in a progressive framework of the living and working conditions of sea fishermen. In the road transport field, finally, a first Regulation on the harmonisation of certain social provisions in the road haulage sector has been adopted in 1969; a second regulation completing the first one has been submitted to the Council in 1972.

More recently, the Commission undertook a study on the social problems affecting inland waterway navigation, ports and air transport, three fields which are not at present covered by the common transport policy. It plans to create joint committees for these sectors along the lines of those already in existence.

Over the next few years, Commission activities will be aimed generally at facilitating the conclusion of collective agreements at the Community level, thereby contributing to the achievement of equalisation in progress, while respecting the autonomy of the two sides of industry. In its view, Community Regulations could only be used in a complementary sense to prevent social dumping and ensure that measures adopted jointly are adhered to.

In order to help carry out this policy, the Commission will continue with gradual setting up of a European index for the survey and evaluation of collective agreements, the most appropriate instrument for keeping labour and management informed on current trends in this complex field.

Opportunities for dialogues between the Community institutions and the two sides of industry are constantly expanding and growing more diversified. In addition to the Advisory Committees attached to the Commission, which bring together the representatives of all the interested parties and play a very important role in defining objectives and checking day to day management, the importance of the Standing Committee on Employment deserves special mention. This forms the very core of concertation between the Council, Governments, Commission and employers' and workers' organisations and it has shown itself, after two years of work, to be a precious instrument for defining employment policy.

Along the same lines, the Committee of the reformed Social Fund is being urged to become an active advisory body, which will be mainly concerned with establishing a consensus by giving its opinions to the Community bodies on the advisability of extending the fields for intervention by the Fund, enlightening them on certain situations, how to conceive new criteria for the optimum utilisation of the resources available to the Fund. Near this reformed body, the social partners could, in accord with the governmental members, act out their roles as leader of social action in the Community.

In seeking out, for the future as well, all the practical possibilities of setting up a concerted dialogue with employers' and workers' organisations at European level, the Commission will be making a positive contribution to strengthening the democratic interaction of the institutions, which is one of the bases of the Community.