

# EUROPEAN COMMUNITY

**BACKGROUND INFORMATION**

EUROPEAN COMMUNITY INFORMATION SERVICE

2100 M Street NW, Washington DC 20037 Telephone (202) 872-8350

New York Office: 277 Park Avenue, New York NY 10017 Telephone (212) 371-3804

No. 21/1973

August 7, 1973

BACKGROUND NOTE

## SOCIAL ACTION IN EUROPE

As a first step toward a Community social policy, the European Commission has sent to the Council of Ministers proposed "guidelines for a social action program".

These include:

- improved job opportunities, especially in less favored regions
- better living conditions, and pilot social housing plans, particularly for migrant workers
- re-organization of work to make it "less monotonous and inhuman," notably through the abolition of assembly line production
- greater equality for women workers
- special training programs for young and handicapped workers
- a Community Labor Institute to help labor unions keep up to date on what Community services are available to help them.

The long-term aim is to establish a Community social charter.

The Commission's final proposals are due to be presented to the Council of Ministers by the end of the year, after consultations with the unions and employers' organizations.

### Summit Call

Last October's Paris summit meeting of heads of government declared that it "attached as much importance to vigorous action in the social field as to the achievement of the economic and monetary union". The Commission considers that the economic and monetary union should be seen in a social context. Economic expansion is not an end in itself. The aim is to improve the standard and quality of life and to reduce disparities in living conditions. Economic expansion will be superficial and may even be illusory unless it results from the partnership of everyone concerned. Greater participation of workers in economic decision-making at all levels must be a high Community priority, the Commission says.

The proposals note that smaller member countries need help with some of their social problems, and say common action on certain social problems will be needed if economic and monetary union is to be achieved. This is notably the case with employment policy, the Commission says.

The proposals favor minimum, regularly revised standards of social protection. Less favored Community countries should be given assistance, at Community level, to attain these minimum standards.

### Unemployment

The Paris summit outlined three main areas to apply minimum standards -- full and better employment, improvement of living and working conditions and workers' participation in economic and social decision-making.

While unemployment as a whole throughout the Community averages only two per cent, in some regions it is a serious problem. Structural unemployment is worsening as technical advance accelerates.

Employment difficulties flow from European integration itself, from the periodic disturbances of the world monetary system, from the growth of multinational business, from regional development and from changes in consumer demand, the Commission says.

The Commission favors a policy of active intervention by Community and national authorities aimed at cushioning people against the unpleasant effects of economic change, including adequate re-training, and full information about job opportunities throughout the Community.

Six million migrant workers are now employed in the Community, mostly performing tasks the local workforce finds uncongenial, and living and working in conditions so bad as to justify the criticism that a new servile class is being created.

The Commission feels that the lot of the migrant worker must be improved by common action. Migrant workers from Community countries should be given the same social and political rights as citizens of the host country. Member countries' policies on migrant workers from third countries should be coordinated and migrant labor from third countries treated more fairly and generously.

### Proposals

The Commission calls for the setting up of a European center for vocational training to promote research, exchange of information and the alignment of professional training standards. (The Council of Ministers is due to decide on this by June 30, 1974.)

Community institutions, the proposals say, should by the end of 1974 take steps to give migrant workers the following assurances:

- equal social protection
- reception facilities involving training (including language study) education for themselves and their children and housing
- full participation in all aspects of life in the area in which they live and work.

There should be national committees on women's employment problems and a permanent committee at Community level should be set up. By June 30, 1974, the Committee should make specific proposals aimed at improving conditions of employment, promotion, training, paid maternity leave, child care facilities, flexibility in working hours and social security. These proposals would provide a basis for Community action.

The Community should contribute to plans for the further training of school leavers who cannot find jobs. Pre-wage payments and mobility grants should be given, the proposals say. Similar programs should operate to guarantee elderly workers against loss of income through premature retirement or downgrading to lower duties. Pilot programs should be established for the training of instructors in the rehabilitation of handicapped workers.

#### Collaboration

By 1974, according to the Commission, a system of permanent collaboration between the Commission and national employment services should be established. Member countries and the Commission should collaborate to produce a system of standardized information on jobs and vacancies.

The Commission suggests that member countries should make more use of Article 50 of the EEC Treaty. This suggests an exchange program between young workers from different Community countries.

Despite the remarkable and rapid rise in the standard of living in the European Community, the distribution of wealth remains unsatisfactory, the proposals say. Many people live in comparative poverty; the difference between rich and poor regions is large and is still growing; poorer people are worst hit by inflation. Although the EEC Treaty calls for equal pay between men and women, this is far from being fully applied in the member countries. There are still people who are outside social security systems, while for many within these systems the benefits are inadequate.

The lack of adequate housing at reasonable cost is a grave problem especially for migrant workers. There are still considerable differences in the number of hours worked (a different thing from official working hours) both within individual member countries and between them. Present systems of work, especially where production is achieved by means of assembly lines, waste human potential and fail to call on more than a fraction of the intellectual capacity of the worker.

Workers often lack a reasonable degree of freedom and responsibility in their work and its organization. New industrial and social tensions are being created by the imposition of rigid working hours and by systems of supervision that seem remote and inflexible and impersonal to those concerned. Industrial pollution threatens not only the environment as a whole, but especially the places where men and women spend their working lives.

### Minimum Wages

The Commission calls for studies on the establishment of minimum wages throughout the Community. Specific recommendations on this subject will be made next year.

Equal pay for men and women should be implemented, the proposals say. A report of the situation as of January 1, 1973 will soon be submitted. Workers' profit-sharing plans should be extended.

The proposals would extend adequate social protection to all Community citizens. Pilot programs should be instituted for welfare housing, particularly for migrant workers.

Both sides of industry should be invited to join immediate studies on the abolition of assembly-line production. Solutions should be applied on a Community basis, the Commission says. Suggestions are also made on work safety.

### Collective Agreements

Participation of both sides of industry in decision-making is increasing in all the member countries of the Community, prompted partly by the growth of multinational businesses, the Commission notes. Germany and the Netherlands have statutory programs giving workers the right to participation in companies. Participation in decision-making at Community level is also important and the need will grow as the economies of the Nine become more integrate and the scope of Community decisions broadens.

Participation is seen as increased economic effectiveness, and as a "desirable aim in itself".

The principle should apply at all levels. The need for it at Community level was emphasized in the Paris summit communiqué which advocated the "conclusion of collective agreements at European level in appropriate fields".

The Commission says special Community labor conferences should be convened on an ad hoc basis in which the Council of Ministers, the Commission and unions would participate. Special joint committees should prepare collective agreements on a Community level and the Community institutions should have the power to make these collective agreements generally binding.