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REPORT

drawn up on behalf of the Committee on
Regional Policy and Regional Planning

on a Community plan to enhance the employment
potential of the less-favoured regions

Rapporteur: Mr E. FAURE

EUROPEAN PARLIAMENT

DOCUMENT 1-84/83/Corr.

C O R R I G E N D U M

to the REPORT drawn up on behalf of the Committee on Regional Policy and Regional Planning

on the Community plan to enhance the employment potential of the less-favoured regions

Rapporteur : Mr Edgar FAURE

(Doc. 1-84/83)

MOTION FOR A RESOLUTION

Paragraph 12 to read as follows:

Recommends the Commission, more specifically, to introduce a special plan designed to increase employment in the less-favoured regions and providing for:

- the extension of the 'indigenous development' concept already implemented and expressed in the texts relating to the non-quota measures (first and second series) and to the revision of the ERDF Regulation,
- a gradual and substantial increase in ERDF resources and adjustment to the rules governing the Fund,
- verification of the jobs actually created in the context of the programmes for the Mediterranean regions shortly to be adopted by the Council¹;

¹ Cf. report drawn up by Mr POTTERING on behalf of the Committee on Regional Policy and Regional Planning on a 'Mediterranean plan' for the benefit of Mediterranean countries belonging to the European Community and the applicant countries Portugal and Spain on the basis of a Council regulation (OJ No. C 66, 15.3.1982, p. 26, Doc. 1-736/81)

14 April 1983

PE 83.305/fin./Corr.

At its sitting of 13 December 1982, the European Parliament referred the motion for a resolution tabled by Mr DE PASQUALE and others (Doc. 1-994/82) pursuant to Rule 47 of the Rules of Procedure, to the Committee on Regional Policy and Regional Planning and to the Committee on Social Affairs and Employment for an opinion.

At its meeting of 28 January 1983 the committee decided to draw up a report and appointed Mr E. FAURE rapporteur.

At its sitting of 12 January 1983 the European Parliament referred the motion for resolution tabled by Mrs THEOBALD-PAOLI and Mrs PERY (Doc.1-1114/82) pursuant to Rule 47 of the Rules of Procedure, to the Committee on Regional Policy and Regional Planning and to the Committee on Social Affairs and Employment for an opinion.

At its meeting of 24 February 1983 the committee decided not to draw up a report and to attach this motion for resolution to the report by Mr FAURE.

It considered the draft report at its meeting of 17/18 March 1983 and at the same meeting adopted the motion for resolution as a whole unanimously with one abstention.

The following took part in the vote: Mr De Pasquale, chairman; Mrs Fullet and Mr Constanzo, vice-chairmen; Mr E. Faure, vice-chairman and rapporteur; Mrs Boot, Mr Cardia (deputizing for Mrs De March), Mr Gendebien, Mr Griffiths, Mr Harris, Mr Hutton, Mr Kazazis, Mrs Kellett-Bowman, Mr Muntingh (deputizing for Mr Treacy), Mr Nikalaou, Mr Pöttering, Mr K. Schön, Mr J. D. Taylor, Mr Travaglini, Mr von der Vring and Mr Ziagas (deputizing for Mr Hume).

The Committee on Social Affairs and Employment will not be delivering an opinion.

This report was tabled on 22 March 1983.

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- I. Motion for a resolution by Mr DE PASQUALE and others on a Community plan to enhance the employment potential of the less-favoured regions (Doc. 1-994/82)
- II. Motion for a resolution by Mrs THEOBALD-PAOLI and Mrs PERY on the strengthening of the activities of the European Regional Development Fund in the area of employment (Doc. 1-1114/82)

The Committee on Regional Policy and Regional Planning hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on a Community plan to enhance the employment potential of the less-favoured regions

The European Parliament,

- having regard to the motion for resolution tabled by Mr DE PASQUALE and others on a Community plan to enhance the employment potential of the less-favoured regions (Doc. 1-994/82),
 - having regard to the motion for resolution tabled by Mrs THEOBALD-PAOLI and Mrs PERY on the strengthening of the activities of the European Regional Development Fund in the area of employment (Doc. 1- 1114/82),
 - having regard to the report of the Committee on Regional Policy and Regional Planning (Doc. 1- 84/83),
 - having regard to the recent Special report of the Court of Auditors on job creation or maintenance in the granting of aid to regional investments¹,
- (a) recalling that the President of the Commission, Mr Gaston THORN, stated in the European Parliament on 8 February 1983 that 'it is the future of our nations and the future of the European idea which are at stake in the struggle against unemployment and de-industrialization',
- (b) recalling that the President of the Commission also stated that the first priority for the European Community is to exploit the potential for reducing unemployment and reversing the trend towards industrial decline and that it is essential to revive productive investments since this is the only way to stem unemployment and rehabilitate industry without reactivating the process of inflation,

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OJ No. C 345, 31.12.1982

- (c) pointing out once again that there are major regional disparities¹ in the Community and that, as stated by the Commission in its report to the Council on the mandate of 30 May 1980², the reduction of regional imbalances remains a priority objective of Community policy,
- (d) whereas it is essential to exploit local potential for development or growth in regions which are currently underdeveloped or in decline, both to facilitate more effective deployment of the labour force available in these regions and to bring the volume of growth up to a level more commensurate with this potential, and to prevent the losses and 'diseconomies of scale' which result from excessive urban concentration,
- (e) whereas it is therefore imperative for the Community to take special action to combat unemployment, which is affecting certain regions in particular,
- (f) whereas, although Community regional policy is not the only means of combating unemployment, it is nevertheless of vital importance, both because it represents a major component of the Community's structural measures and because it enables the investments which create jobs to be directed towards specific areas,
- (g) whereas, however, this regional policy has not hitherto been allocated adequate resources as regards both the effective coordination of national regional policies and the sums made available to the European Regional Development Fund (ERDF),
- (h) pointing out that its resolution of 11 March 1980³ has already facilitated in particular the introduction of new measures for the development of small and medium-sized undertakings, crafts and rural tourism,

¹ See First Periodic Report on the social and economic situation of the regions of the Community (COM(80) 816 final of 7.1.1981). Regional disparities are measured on the basis of Community criteria, taking account in particular of the relative intensity of social and economic problems in the regions as compared with the Community average. These criteria relate to the level of economic development and to the employment situation.

² COM(81) 300 final of 24.6.1981

³ On the basis of a report drawn up by Mr CRONIN on behalf of the Committee on Regional Policy and Regional Planning (OJ No. C 85, 8.4.1980, p. 24, Doc. 1-715/79) on the proposals from the Commission for an initial series of specific Community regional development projects under the non-quota section of the ERDF (OJ No. C 285, 15.11.79, p. 3).

(i) whereas, more specifically, its resolution of 22 April 1982¹ stresses the need for effective coordination between regional policy and the other common policies and approves in particular the introduction of various measures designed to encourage productive investments which will create jobs and the strengthening of the local development potential of the regions,

1. Solely calls on the Council to adopt as soon as possible the Commission proposal, as modified by the European Parliament¹, amending Regulation (EEC) No. 724/75 establishing an ERDF, which envisages in particular measures to encourage productive investments which will create jobs and to strengthen the local development potential of the regions;
2. Notes that the economic crisis has led to a fall in productive investments which create jobs and in particular that, whereas investment in crisis-hit regions by large undertakings from outside these regions is declining, indigenous industry and above all small and medium-sized undertakings, the agriculture and agri-foodstuffs industries and craft trades are playing a decisive role in job creation;
3. Endorses the options put forward by the Commission in its New regional policy guidelines and priorities², in particular the exploitation of indigenous potential by stimulating and making better use of the possibilities for growth and the adaptability of the less-favoured regions, whether with regard to their 'human capital', alternative energy sources, environmental resources, rural tourism or small and medium-sized undertakings, the agriculture and agri-foodstuffs industries and crafts;
4. Considers that to expand productive investments which will create jobs it is essential for both national and Community provisions for aid to such investments to be adapted to the new economic situation, since they

¹ On the basis of the report drawn up by Mr DE PASQUALE on behalf of the Committee on Regional Policy and Regional Planning (OJ No. C 125, 17.5.1982 p. 84 - Doc. 1-61/82) on the proposal from the Commission amending Regulation (EEC) No. 724/75 establishing an ERDF (OJ No. C 336, 23.12.1981, p. 60)

² COM (81) 152 final of 24.7.1981

were introduced in a very different economic and social context from the one which now prevails and were not devised to give priority to small and medium-sized undertakings or to crafts;

5. Requests both the national and Community authorities, in the context of their regional policies, to adjust the provisions governing investment aid;
6. Recommends that these adjustments to the aid schemes for productive investment should be designed to ensure both more active management of the aid, in particular through stimulation of the economy, and greater strengthening of the local development potential of the regions, which would require prior identification of this potential through studies or surveys, and should facilitate participation by local and regional representative bodies;
7. Asks the Commission to earmark a larger proportion of the ERDF for aid to productive investments and to introduce mechanisms to create real additional incentives for potential investors and calls on the national and regional authorities to submit programmes geared to job creation;
8. Reiterates the need to concentrate the limited Community resources in the least-favoured regions in order to stimulate further investment in these regions;
9. Reiterates the importance of the regional development programmes and the programme contracts in facilitating in particular the coordination and increased effectiveness of the various Community and national aid measures;
10. Urges the Commission to ensure that the regional development programmes and the programme contracts contain an assessment of employment by region or by zone and details of requirements with regard to employment;
11. Urges the Commission to encourage the implementation of integrated development operations in close cooperation with the national, regional or local authorities concerned, so as to enable both Community and national financial resources to be integrated more effectively in the areas confronted by particularly serious problems;

12. Recommends the Commission, more specifically, to introduce a special plan designed to increase employment in the less-favoured regions and providing for:
- the extension of the 'indigenous development' concept already implemented and expressed in the texts relating to the non-quota measures (first and second series) and to the revision of the ERDF Regulation,
 - a gradual and substantial increase in ERDF resources for a three-year period and adjustment to the rules governing the Fund,
 - verification of the number of jobs actually created in the context of the programmes for the Mediterranean regions shortly to be adopted by the Council¹;
13. Also requests the Council to encourage and facilitate the exchange of information with regard to regional or local measures to promote employment;
14. Instructs its President to forward this resolution and the explanatory statement to the Council and Commission and for information to the governments and regional authorities of the Member States.

¹ Cf. report drawn up by Mr Pöttering on behalf of the Committee on Regional Policy and Regional Planning on a 'Mediterranean plan' for the benefit of Mediterranean countries belonging to the European Community and the applicant countries Portugal and Spain on the basis of a Council regulation (OJ No. C 66, 15.3.1982, p. 26, Doc. 1-736/81)

EXPLANATORY STATEMENTI. BACKGROUND

(a) From a 'dual' society to 'regional duality'

1. The deepening of the world economic crisis, technological change, the growing tendency towards demographic concentration in large conglomerations, monetary disturbances and inflation are all factors which do not augur well for the future. In some quarters it is believed that a 'dual' society is emerging in the industrialized countries - on the one hand those who have a stable, well-paid job which reflects their aspirations, and on the other hand those with precarious, in some cases casual, jobs, who are obliged, for want of anything better, to do uninteresting work, who may be on social security and who somehow manage to live in a society from which they feel alienated.

2. This concept of a dual society is applicable to the situation of the regions (or their equivalent) in many of the Community countries. The industrialization and economic development of the last thirty years and the present crisis have revealed what I shall call 'regional duality'. Vast industrial and urban conglomerations with a strong administrative and commercial substratum contrast with areas suffering from depopulation and the erosion of their economic and cultural life. I referred to this vast historic movement from countryside to town in my report of November 1981 on the contribution of rural development to the re-establishment of regional balances in the Community¹. I pointed out that it was a paradox and inconsistent with a rational, reverential and conscientious conception of the destiny of the human species. It creates what are euphemistically referred to as 'regional imbalances'.

3. To take just one example, it is clear that Greek industry is suffering not only from the problems affecting all European industry but also from excessive geographical concentration: 47% of the industrial labour force and 50% of private investment are located in the Athens-Piraeus zone alone.

¹ Report drawn up by Mr FAURE on behalf of the Committee on Regional Policy and Regional Planning, Doc. 1-648/81, OJ No. C 66, 15.3.1982

(b) The conflict between 'modernity' and tradition in the regions

4. The problem is how to increase employment in the less-favoured regions. How, in other words, to revive those Community regions which are particularly crisis-stricken, either because they have a single industry whose activities have been severely hit by technological change, or because of the growing depopulation of certain rural zones.

5. Although it is essential to state the problem of the less-favoured regions in terms of employment, this is not the whole story. More accurately, employment is only one aspect of a much wider question concerning the nature of regional life which may be defined as the conflict (now aggravated by the severity of the crisis) between modernity and tradition in the regions. Man is closely linked to his natural environment; he depends on it; he lives off it. Modernity taught him that the supreme values are production, consumption and the acquisition of wealth. Man hesitated: he has either adopted these values and moved to the city, leaving his home region, or he has resigned himself to living a 'half life' by remaining in his regional home background, felt to be a negative and frustrating environment. Modernity, however, is crisis-ridden; it is losing its certainties and its attractions; it is no longer keeping its promises. What is more, the price of its past success is now being revealed: pollution, psychological and moral degradation, the disintegration of family and village communities on a human scale. Man is vaguely aware that the great concept of an industrial and consumer society to which he aspired is wavering. He longs vaguely for a different way of life and different values which, without relinquishing any of the positive aspects of scientific and technical progress, would transform his condition.

6. The problem of employment in the less-favoured regions must not be dealt with on a smaller scale than this. It should not be confined to aids, premiums, incentives and subsidies for all manner of productive activities. It must be seen as part of the major structural adaptations and adjustments which have become necessary as a result of the trend and upheaval in the world economy. How are these major adjustments to be achieved? In what context and in what direction? These are the questions that must be answered.

(c) Non-regional development factors

7. A genuine, lasting revival of employment in the less-favoured regions can be achieved only if it is based on a whole series of factors which are not exclusively regional in character. Moreover, in the face of international technological

and economic competition, it is essential to guard against a narrowing of outlook to regional or local level - a leading member of the Conseil National du Patronat Francais (National Council of French Employers) has asserted that 'a regional concept of industrial development is an anachronism'. This view, which has the virtue of clarity, is only partially correct. It is justified to the extent that the factors which decisively influence regional impoverishment or development fall within the ambit of governmental or even intergovernmental affairs. Thus the elements which, in my view, have had the most significant effect on the situation of Europe's least-favoured regions - the movement from countryside to town, the failure to make structural adjustments to our economies, changes in the relationship between growth and productivity, wage increases and the profits and self-financing of undertakings - fall almost totally outside the scope of regional decision-making. On the other hand, the discussions at the Cancun Summit concerning traditional and renewable energy sources, the capital supplies of the rich oil-producing countries, and ways of controlling monetary factors obviously affect the development of, and hence employment in the less-favoured regions.

(d) Inflation - an obstacle to the campaign against regional unemployment

8. There is one specific field relating to economic development which falls within the jurisdiction of states and of international organizations, and that is the monetary and financial field. I should like to emphasize in particular that inflation, as experience clearly shows, represents a major obstacle to the campaign against unemployment.

However, contrary to the generally held view, inflation is not inevitable. It is an 'invention' of the twentieth century. Economic growth in the nineteenth century was achieved without inflation and indeed in opposition to it; twentieth century industrial growth has been achieved through and in conjunction with inflation.

9. There is much food for thought here. In my view, the principal causes of inflation are social in origin. Surely the explanation for the inflationary spiral and, in the final analysis, for social and regional imbalances is to be sought in the structures created by the massive concentration of population already referred to, by the problems this has caused and by the desire to keep up a certain style of living? This brings us back to our initial premise. The problem of employment must be posited in terms of man's attitudes and behaviour, of the structure of society and of culture. The facts cannot of course be denied. Though not incurable, we will be reluctant to give up the inflation drug. It is, however, possible to reverse trends, to explore new paths and to conceive of new ways of life which counteract social and inflationary tensions. These efforts have the greatest chance of success in the less-favoured areas.

(e) Regional implications of scientific and technological change

10. It is essential to assess the implications of major scientific and technological changes and the advantages they offer. We are moving into a communications civilization¹, an unprecedented concept whose extremely long-term consequences we sometimes fail to grasp but which could, as a priority, be used to promote the development of the less-favoured regions. This presupposes profound cultural changes in the populations concerned. Let there be no mistake: man is capable of assimilating these changes, provided he is given time and provided, above all, that the national and international authorities define and publicly adopt clear and specific objectives, however 'revolutionary' they may be. An attempt must be made to reconcile man with his natural, economic and social environment, while at the same time accepting the challenge of helping him to keep pace with the present industrial, technological and informatics revolution. Alexander King quotes the example of a region in Venezuela where each village has a computer to rationalize its maize and cereal crops. Similarly, much can be learnt from the experience of the Taroudant secondary school - the decision by the Moroccan authorities to familiarize young people with computers and with the new instruments of communication as a means of developing Morocco and, in particular, its most remote areas, is surely an example of audacity at its best?²

11. Very few leaders foresee the future importance of what is generally referred to as 'transfrontier data flows', which are of great economic and political importance and extremely significant for post-industrial society. Scientific, technological, financial and commercial data are intangible goods whose cost and economic significance are destined to increase. Telematics and informatics could herald the resumption of growth. By their very nature these activities can be located and operated anywhere. An information services industry could be set up and developed in particular in the regions under consideration, thus giving rise directly (through a vigorous training programme) and indirectly (through classic economic forces) to the possibility of creating a large number of jobs.

II. KEY POLICIES

12. The economic crisis and international tension have brought states and govern-

¹ See report drawn up by Mr FAURE on behalf of the Committee on Regional Policy and Regional Planning on measures to combat excessive urban concentration and to promote institutional polycentrism through regional planning at European level and the use of modern means of transport and communication, Doc. 1-295/82, OJ No. C 292, 8.11.1982.

² Rome symposium of 16 and 17 March 1982, organized by the Arab Fund for Economic and Social Development, the Forum of Arab Thought, the Club of Rome and the Intergovernmental Bureau for Informatics.

ments to the forefront. As was pointed out above, they have a clear responsibility for adopting and implementing measures to promote the development of the less-favoured regions. What role remains to be played by the regional and local authorities? Do these matters, which directly concern them, go over their heads? The local authorities assert their right to direct the economy and to tackle their development problems. Any increase in the number of jobs in the less-favoured regions is dependent on cooperation between both Community and national policies and key policies such as agriculture and agri-foodstuffs, energy, ecology, industrialization, training, the 'social economy' and work-sharing.

(a) A strategy for agriculture and agri-foodstuffs

13. First and foremost agriculture and agri-foodstuffs. Paradoxically, although this is an up-and-coming sector, the people employed in it do not earn enough to encourage its development. Leaving aside the widely differing and in some cases extremely pessimistic views on the CAP, there are two or three absolute truths of vital importance. World food requirements will inevitably increase. Food products are of strategic importance for Europe. Instead of curbing agricultural production, it should be increased, particularly in the less-favoured regions, by redefining the objectives and instruments of the ERDF and creating a European Bank for Rural Activities and a Rural Land Development Bank to help reorganize financial structures and develop high value-added sectors such as the timber and fisheries industries. There is vast export potential for our food products.

To this it is objected that our potential customers in the Third World are insolvent. Such exports would in fact help to launch trade with these countries, who are the customers of the future. This is the way to set about the reform of the CAP, not by getting involved in endless discussions on how much less each Member State should contribute and how much more they should receive.

14. To ensure higher incomes for those employed in the agricultural sector, it is essential to restore a more independent and economic agriculture and to reduce the cost of inputs such as fertilizers, the increase in the cost of which in France was equivalent in 1980 (FF 4 million) to the earnings losses experienced by farmers in the same year. Many measures could be introduced to restore a more independent and more economic agriculture: smaller machines, cheaper fertilizers, methods of controlling water, increased production of fodder instead of using imported feedingstuffs - all these would reduce production costs and require a larger labour force. Given modern

rapid methods of communication, processing industries should be set up in the area of production. Modern means of communication, notably the telephone and telematics, should be developed as a priority in the less-favoured regions. Energy and ecology have a vital role to play, since they are two major sectors of the future which can help to create jobs. The less-favoured rural regions offer an ideal location for the measures to be taken in these fields.

(b) The energy challenge

15. Each of our countries faces an energy challenge. The keyword in this area should be diversification. Too much emphasis has been placed on a narrow range of traditional energy sources. The regions of Europe, particularly the less-favoured regions, have potential in this field: solar energy and the biomass could represent substantial sources of supply. I encouraged the launching of pilot projects in my region of Franche Comté as a result of which industrialists are currently equipping farms with methane-producing plant. Pigfarms are a particularly significant example. Instead of using energy to oxygenate extremely harmful effluent, the latter goes through a process of bacteriological fermentation to produce gas which can be used on the spot. The manufacture and marketing of digesters for this purpose could create jobs in rural regions.

(c) Ecology - what is its contribution?

16. Has ecology made its full contribution? Not so far, and yet the point is being reached at which environmental deterioration may become irreversible. A study carried out last year by the French Ministry for the Environment showed that 500,000 jobs could be created - five times as many as in the steel industry - in activities relating to anti-pollution measures, salvage operations, energy savings, water management, the establishment of parks and nature reserves and the protection of the natural heritage. For example, the determined efforts of a number of unpaid pioneers led to the recent opening in Lorraine, the heart of Europe, of the Groupement d'Etudes et de Conservation de la Nature en Lorraine (GECNAL - group for nature study and conservation in Lorraine).

After a long period of doubt and hesitation, regional, national and even international authorities have acknowledged and assisted this institute which is clearly of educational, economic and cultural importance.

17. The implementation of such measures requires the definition and application

of research policies in and for the regions. The disparities in research potential between the regions is indicative of their degree of prosperity or poverty. In France, for example, the potential for development research of the Rhône-Alps region is around 10% of the national total, whereas the Limousin region has only six research workers from the National Scientific Research Center. It is essential to establish in the less-favoured regions research activities which are compatible with the specific nature of these regions and are coordinated with the regional economy.

(d) The cost and methods of industrialization: the renewal of aid

18. Industrialization and the establishment of undertakings are considered to be the best way of promoting the development of, and ensuring employment in, the less-favoured regions. Do these methods produce satisfactory results? Are they the right methods? There is some doubt about this. Why? Because industry does not need aid so much as relief from the financial burden it has to bear. Some years ago I referred to 'punitive employment' as a means of describing the restraint on the development of undertakings and hence on recruitment of the size of social security contributions. It is well known that, with the exception of Denmark, Ireland and the United Kingdom, the cost of social security contributions in Europe seriously impedes the proper functioning and expansion of industry. Employers' contributions account for 59% of social security revenue in Italy, 56% in France and 49% in Germany. The

Commission has revealed that European labour costs are among the highest in the world, as a result of which small undertakings whose activities are closely linked to regional products are unable to compete. Despite the crisis, these costs are continuing to grow and are seriously undermining efforts to encourage undertakings to expand their activities. Employment should no longer be 'punitive' and industry should no longer be required to finance social security and national solidarity. Support should be given to the recent work carried out by the Commission which concluded, following various studies, with a complete review of social security policy in the Member States. The renewal of aid to undertakings should also involve the introduction of mechanisms and instruments capable of directing savings more effectively towards activities which will create jobs and, in particular, directing small local savings towards industry in the regions concerned. Under the Treaty of Rome the European Investment Bank is required to give priority in granting aid to finance investments in the less-favoured regions. This it has done, notably in the Mezzogiorno and Ireland. For the last ten years it has granted loans to finance energy projects.

These measures should be intensified and extended to include small and medium-sized undertakings which would introduce technological and commercial innovations into the less-favoured regions. The adaptation of production plant to technological change is in many cases highly unsatisfactory because of the lack of funds. In this connection, special aid should be granted for the establishment and development of undertakings engaged in project-study in the wider sense of the term, that is, providing a full range of advice on financial, economic or social matters. Given the stiffening of competition on all markets, it is essential for industry to master the most efficient production techniques.

19. Support should be given to the projects submitted by the Commission to the governments for the provision of additional funds for small and medium-sized undertakings on the basis of the Community's political and financial standing.

Long-term saving should be encouraged. Small savings should be put to a wider range of uses - in other words they should not be entirely absorbed by traditional investments (property) but should also be oriented towards investments which will create jobs. In addition, the ideas put forward by the Proust committee in France concerning the modernization of the securities market could be transposed to European level. A European stock exchange could be set up, which would expand the securities market and improve their management and handling.

(e) Education and vocational training

20. Any job creation scheme must involve a dynamic programme of vocational training. Technological change necessitates coordination between the educational, economic, social and cultural programmes pursued in the various Community countries. In the communications civilization on whose threshold we stand, education and training will have an international dimension, and this must be defined at European level. The development of science and technology is nowadays bringing study and work increasingly close together.

21. Particularly in less-favoured areas, education should be geared not, as in the past, towards the accumulation of knowledge but towards an understanding of the world of reality and the acquisition of method and of a sense of responsibility at work. These were the principles which inspired our proposal for the creation in Europe of a service providing a first vocational job for young people; a scheme which is being applied in Franche-Comté to the satisfaction of those concerned - employers and young people. Under this project, already described in the 1981 report referred to above, the Community could take on, for a set period, a number of young people of various nationalities who have been unable to find a first job. It was proposed that these

young people should be seconded as a priority to duties in the public interest in particularly backward rural areas. The consequent improvement in public services would help to increase the productivity of undertakings manufacturing goods or services. On the same model, but for the not-so-young, we are now proposing a 'second chance' scheme to enable adults between the ages of forty and fifty to train for a new job and thus become reintegrated into society.

(f) Work-sharing

22. One final approach to the question of increasing the employment potential of the less-favoured regions is a purely social one and concerns the distribution of the work available among a larger number of people. Although difficult to implement, this objective does have advantages. It provides for additional recruitment and is applicable to a large number of jobs in industry (factory workers, handlers, etc.) and the services sector (office and commercial staff, etc.). Binomial work of this kind comes up against a number of objections and in particular against the concern felt by trade unions for the social rights and benefits of part-time workers. Such concern can, however, be assuaged and this scheme, which is widespread in the USA and the Federal Republic of Germany, should be applied and extended. It is one of the most effective forms of job-sharing as far as job creation is concerned and one of the least inflationary.

(g) The social economy

23. All forms of what is referred to as the social economy could be encouraged in the least-favoured regions. Women, in particular who are not involved in agricultural production could engage in craft activities. Such work can be given more of a 'social' character through cooperatives, the ideal form of the social economy, which enable the work to be allocated flexibly in accordance with individual requirements. Experience shows that such cooperatives can revive moribund activities. They can create their own solidarity networks: purchasing pools, joint trading structures, aids for the launching of new activities. Cooperatives and mutual benefits societies represent an old answer to the modern challenge of the economic crisis in all its multiple aspects. They should be given wider recognition at Community level.

III. CONCLUSION

Economics for man

24. Finally, it is man who is at the centre of this issue. The problem of employment in the less-favoured regions of the Community is one of sound management

of the human resources in these regions. It is one of educating and training men, of taking into account his right to act, to put forward ideas, introduce innovations and freely shape his future. It is one of a new flourishing of rural and regional life, of a changing industrial society and the coming of post-industrial society. What can public initiatives do to ensure that, in accomplishing these changes, the individual's identity and freedom are preserved? There is undoubtedly much they can do, provided they are not encumbered by the restraints and reactions which, in these difficult times, lead to a narrowing of outlook, and provided they fully reflect an international commitment in man's interests.

MOTION FOR A RESOLUTION (DOCUMENT 1-994/82)

tabled by Mr DE PASQUALE, Mrs FUILLET, Mr GRIFFITHS, Mr VERROKEN, Mrs BOOT and Mr CLINTON

pursuant to Rule 47 of the Rules of Procedure

on a Community plan to enhance the employment potential of the less-favoured regions

The European Parliament,

- A. whereas the Commission has recognized, notably in its report pursuant to the mandate of 30 May, that the operation of certain common policies has, on the one hand, accentuated regional disparities and, on the other hand, made it more difficult to harness the full employment potential of the ERDF,
 - B. having regard to Parliament's resolution of 22 April 1982 on the Commission proposal amending Regulation (EEC) No. 724/75 establishing a European Regional Development Fund, and in particular the need expressed by Parliament for the effective coordination of regional and other common policies,
 - C. whereas aid under the ERDF should constitute also productive investment designed to maintain and create employment by increasing production capacity in the less favoured regions,
 - D. having regard to the recent special report by the Court of Auditors on the creation or maintenance of jobs through the granting of aid for regional investment,
1. Views with grave concern the fact that, over and above the ever-widening disparities in per capita income of living standards between regions, the Community apparently has difficulty in exploiting the full potential of the ERDF in terms of maintaining and creating employment;

2. Considers it essential that a Community plan should be formulated in order to create the necessary conditions for the promotion of economic opportunity in the less-favoured regions;
3. Suggests that this plan should comprise the following 3 types of measures:
 - (a) measures to promote the role of the ERDF as a development agency,
 - (b) measures to improve the coordinating of common policies,
 - (c) measures to ensure the effective participation of local and regional authorities, and both sides of industry in Community action to promote the inherent labour and employment potential of the deprived regions;
4. Instructs, therefore its committee responsible to draw up a specific report on a Community plan to enhance the employment potential of the less-favoured regions.

MOTION FOR A RESOLUTION (DOCUMENT 1-1114/82)

tabled by Mrs THEOBALD-PAOLI and Mrs PERY

pursuant to Rule 47 of the Rules of Procedure

on the strengthening of the activities of the European Regional Development Fund
in the areas of employment

The European Parliament,

- A. Whereas it is of the opinion that the problem of employment in Europe should be a major priority for 1983.
- B. Noting that in 1981, the average number of jobs created by European Regional aid mechanisms was less than that created in the four previous years, although the appropriations for the European Regional Development Fund were increased by more than 30% in 1980 and 1981.
- C. Whereas, in 1981, encouragement for job-creating investment in industry and in the tertiary sector represented less than fifteen percent of all aid granted from the European Regional Development Fund to the regions despite the priorities which should quite obviously be given to employment.
 1. Is of the opinion that all the European Funds should make use of all the possibilities open to them to contribute to the fight against unemployment and, more particularly, unemployment among people below the age of 25 or above the age of 50.
 2. Notes that the task of the ERDF cannot be performed without a major action in favour of employment.
 3. Requests the Commission to prepare practical or statutory changes in the operation of the ERDF to ensure that it has a more significant impact on employment.
 4. Instructs its President to forward this resolution to the Commission, the Council, the Government of the Member States and the regional authorities of the Member States.