

COMMISSION OF THE EUROPEAN COMMUNITIES

**COM(94) 247 final
Brussels, 01.07.1994**

1993 REPORT

ON THE ACTIVITIES OF

EUROPEAN COAL AND STEEL COMMUNITY

READAPTATION AID

FOR WORKERS

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I. INTRODUCTION

This report presents the activities of European Coal and Steel Community (ECSC) Readaptation Aid in 1993. It is the second full report on these activities since the introduction of a harmonised intervention system in 1988 and has the objective of presenting broad information on the nature of this aid, which represents the principal European contribution to social policy in the coal and steel industries. In addition, it fulfills a commitment to the Court of Auditors to produce regular reports¹.

The report sets out to present the aid granted in 1993, from a quantitative and qualitative perspective, focusing both on the levels of finance made available and the types of social measures implemented. It also gives an overview of developments in this field, such as the introduction of the new supplementary social measures for steel, the current budgetary constraints against which this aid is granted, and the efforts to phase-in certain ECSC social measures to the European Social Fund. The report contains an evaluation of the Readaptation Aid programme and also looks at the range of other activities carried out in relation to the programme, such as studies and committees. Moreover, it provides background on the national industrial and employment contexts, in which the Readaptation Aid programme operated in this particular year.

ECSC Readaptation Aid has been granted for the benefit of workers in the coal and steel industries since 1954. A key objective of the programme is to ensure a good level of social protection for workers who lose their jobs after industrial restructuring, particularly as they are withdrawn from the labour market into early retirement or forced into unemployment. A further important goal is to assist workers into new jobs, through training and re-employment efforts. Moreover, the Readaptation Aid programme may also play a role in the acceptance of industrial restructuring among the workforces involved and, in this way, it can and has played a useful role in attenuating social conflicts and achieving consensus.

It is important to bear in mind that the ECSC Readaptation Aid programme dates back far longer than the other Community structural intervention tools. Its sectorial approach and possibilities for co-financing measures such as income support to redundant workers are exceptional and based on a levy system set up under the Treaty of Paris. With the expiry of this Treaty in 2002, these specific features risk becoming obsolete among the activities of the European Union.

¹ The first report "1990 Report on the Activities of European Coal and Steel Community Readaptation Aid" was adopted on 12 December 1991, SEC(91) 2394 final.

II. THE TYPES OF AID AND ELIGIBILITY CRITERIA

The legal basis for the granting of this social aid is Article 56 of the ECSC Treaty. This establishes the provisions for non-repayable aid towards tideover payments, resettlement grants and the financing of vocational training. Aid is conditional upon the payment of a special contribution by the member state, which allows for a more favourable treatment than that provided under the general social protection regime. As such, the Community aid not only enhances the allowances and measures for the workers themselves, but also generates supplementary funding at national level. Since 1980, under Article 56, a total Community contribution of over 3 billion ECU has been committed in favour of some 800,000 ECSC workers.

Under Article 56 (2)(b), eligible workers are those in coal and steel undertakings forced to "discontinue, curtail or change their activities", where there are "fundamental changes, not directly connected with the establishment of the common market, in market conditions for the coal or the steel industry". By far the largest proportion of aid goes to meet these needs. Under Article 56 (1)(c) aid is available for workers who are affected by the introduction of "new technical processes or equipment". However, this type of aid has only been available since 1988 and only in the coal sector and it has remained very limited.

On a practical level, harmonised bilateral conventions, signed between the Commission and the member states, govern the operations of the programme. These establish five standard social measures which can be co-financed on an ongoing basis and form the "traditional aid" programme. These measures are early retirement, unemployment, internal transfer, external redeployment and vocational training. The levels of aid are defined as follows:

SOCIAL MEASURE	MAXIMUM CONTRIBUTION (AS % OF SALARY)	MAXIMUM DURATION (IN MONTHS)	FIXED CEILING ECUS*
Early retirement	12% (18%)**	18	4,000
Unemployment	12% (16%)**	15	3,000
Internal transfer	5%	12	1,000
External transfer	10%	12	2,000
Training	55% (65%)**	12	4,000

* in addition, an average global ceiling of 3,000 ECUs applies by sector, by member state

** in areas where the economic situation is unfavourable ie. where the regional Gross Domestic Product (GDP) is less than 75% of the average European Union GDP

In addition to the traditional aid programme, in times of particular hardship in the coal and steel industries, the Commission may decide to implement supplementary measures. These comprise separate rules of intervention, tailored to achieve specific objectives which enhance the ongoing programme. There were two such programmes in 1993, the supplementary coal measures known as the ECSC complement to the Community's RECHAR I initiative, which came to an end in that year (but which will continue in 1994 under a similar form) and the supplementary steel measures which commenced in 1993.

Applications are submitted by the member state governments and evaluated for bi-annual decisions to commit aid. Payments are made on presentation of proof of expenditure, the final payment being made not later than four years after the commitment of aid (five years for the supplementary programmes). Exceptionally, under the supplementary programmes, 50% of total aid committed may be paid out immediately, on confirmation that implementation of the social measures has begun.

In 1993, there were certain modifications made to the bilateral convention for Spain. These amendments involve firstly, the lowering of the early retirement age from 55 to 52 years. Secondly, provision was made for the inclusion of income support during training as an eligible element of expenditure, a change which brings Spain in line with the other member states. Both modifications mirror the changes recently brought to national legislation in Spain.

III. AN ASSESSMENT OF THE VALUE AND EFFECTIVENESS OF READAPTATION AID

Readaptation Aid, granted on the basis of Article 56 of the ECSC Treaty, is first and foremost a sectorial instrument, designed to operate hand-in-hand with the Community's ECSC industrial policy. The underlying philosophy of Article 56 is that the necessary adjustment to structural changes in the industries should not take place at the overwhelming expense of large sections of manpower. As such, intervention under Article 56 corresponds to a clear responsibility of the Community, which takes it upon itself to cushion the social impact of industrial restructuring encouraged or even brought about by its own policies. Given that this aid is a coherent element of ECSC global policy, member states have a legitimate expectation that it will be made available where agreement to co-operate with Community proposals is forthcoming.

Article 56 provides for action in the social field which, at its conception, was probably far in advance of the existing social regulations in most European countries. Its provisions encouraged undertakings and governments to engage in agreements on social accompanying measures, progressively backed up in many countries by special legislation for the ECSC sectors. A key pre-requisite of Article 56 is that the member state provide a "special contribution", which at least matches the ECSC aid, towards the costs of the social measures. This special contribution must provide for reinforced measures or finance, specifically for coal and steel workers, which allow for a more favourable treatment than the general social protection regime. Such special, additional measures as conceived in the six original member states were also introduced in the countries which acceded to the Community over the years.

This preferential treatment of the ECSC industries is motivated on the one hand by the particularly massive waves of redundancies which have repeatedly hit these sectors over decades. More importantly, it is justified by the ECSC levy which is paid by the industry and co-finances the Community's aid programme. In 1993, this levy stood at 0.25% of the value of saleable output and provided directly around 21% of total resources on the ECSC budget. Additional resources on the budget, namely revenue from Commission borrowing and lending activity, are themselves also the legacy of levy payments from earlier years. This levy, a unique feature in European Union affairs, thereby operates as a solidarity fund.

The Readaptation Aid system is of benefit to both workers and employers in the industries. While, in the 1990s, the now highly evolved systems of enhanced social protection may have somewhat obscured the visibility of ECSC co-finance, this intervention remains nonetheless a crucial element. It is generally acknowledged that Readaptation Aid, having largely catalysed and nurtured high levels of social protection, may now act as a guarantee to their maintenance. An independent evaluation study on these aids, carried out in 1988², concludes that "any cutting back from present levels would be highly undesirable, as member states would be most unlikely to take over the financing of them". Indeed, recently, the United Kingdom government have abolished their special scheme for steel workers, with a steady

² The European Communities Readaptation Aids in the coal and steel industries, Durham University 1988

decline in the Community's level of finance over the years being cited as a key factor in this decision.

Moreover, the existence of Readaptation Aid, by virtue of its cushioning effect, can promote a more readily achieved social consensus whenever a streamlining of ECSC industries is necessary. Enhanced funds towards the social costs of restructuring may firstly contribute to gain acceptance of the need for large-scale job cutbacks and secondly ensure that employers may continue to cover the exceptional number of workers involved to an acceptable financial level. The avoidance of social conflict is of value to worker and employer alike. Indeed in 1993, steel employers in full recognition of this welcomed an increased allocation of Readaptation Aid from the ECSC budget, in the form of supplementary social measures. This increased aid was granted to help spread the costs involved in a new wave of necessary job reductions following capacity cuts.

In 1993, the Commission carried out a study to assess the level of its intervention under Readaptation Aid³. From the results of this research it is evident that the ECSC contribution is still quite significant in the total costs of social measures. The results indicate that, in 1991, the average ECSC participation in the costs of measures it co-finances ranged from 8.5% for early retirement measures to 35% for internal transfer. The following table illustrates this finding and shows that the global average ECSC contribution to the social measures in 1991, over the duration of the ECSC intervention period, stands at 13%. This percentage is comparable with the intervention of the European Social Fund, of which the contribution to active measures is also considered to be 13%.⁴

Figure 1: Level of ECSC contribution to the costs of social measures over the duration of the ECSC intervention period (1991 programme).

MEASURE / SECTOR	AVERAGE ECSC CONTRIBUTION BY PERCENTAGE OF COSTS
Early retirement (coal)	8.51%
Early retirement (steel)	15.71%
Unemployment	10.44%
External redeployment	11.40%
Internal transfer	35.26%
Vocational training	19.41%
All measures	13.00%

A complete table illustrating this detail by member state is found in section V.6 and the results of this study are elaborated upon in section VIII.

³ "ECSC Readaptation Aid : Gross costs and additionality", HIVA 1993

⁴ see report "Employment in Europe" European Commission 1993

Beyond its sectorial role and the direct benefit afforded to producers and workers in the ECSC industries, Readaptation Aid impacts also on a regional and local level, thereby enhancing the efforts of the Community Structural Funds. Several European Union regions are dependent on a mono-industrial economic structure, based on coal and steel production. In particular, ECSC aid allows for the vocational re-training of workers who, while they may not always be redeployed immediately into new employment, will often represent a pool of useful skills which may be taken up at some future point, when local employers experience an upswing and may even attract fresh investment into a region. Moreover, a worker may be redeployed directly into a new job, with the incentive of wage make-up payments or resettlement allowances as provided under the ECSC

It is evident that Readaptation Aid has a wide-ranging beneficial impact. As a programme stretching back to the salad days of the Community, it has gathered a wealth of experience and today the ECSC approach continues to be viewed as valuable. The priority recently accorded, with the approval of all Community institutions, to the complementary social measures for workers in both the coal and steel sector, at a time when budgetary means are increasingly scarce, illustrates this view. The Commission states, in its working document updating the Communication to the Council on the future of the ECSC financial activities (SEC (93) 1596), that it has decided to "concentrate ECSC budgetary and financial resources on measures which will best contribute to solving the serious difficulties experienced by the coal and steel sectors ... measures which can promote the process of industrial restructuring and lighten the burden of the resulting social measures". In confirmation of this, in 1994, some 70% of total budget resources will be set aside for Readaptation Aid, in contrast to levels of between 50% and 60% in recent years (see 1990 Activity Report for detail).

Certain criticisms have been levelled at the ECSC aid programme, with reference to the need to consider equally other sectors plagued by major redundancies, or to the existence of general high levels of social protection in Europe today. However, factors such as the maintenance of the levy system, the exceptionally high number of ongoing job losses and also the decision taken to safeguard the ECSC Treaty for the whole of the originally defined period until 2002, all point to the continued operation of this enhanced intervention system. The Commission is now examining the best means of transferring ECSC social aid into the European Social Fund under the EEC regime, in anticipation of the expiry of the Treaty in 2002. In this respect, consideration could at some future point be given to the particular features of Readaptation Aid to assess whether any elements may be brought to enrich the current EEC instruments

IV. 1993 AID IN THE INDUSTRIAL AND EMPLOYMENT CONTEXT

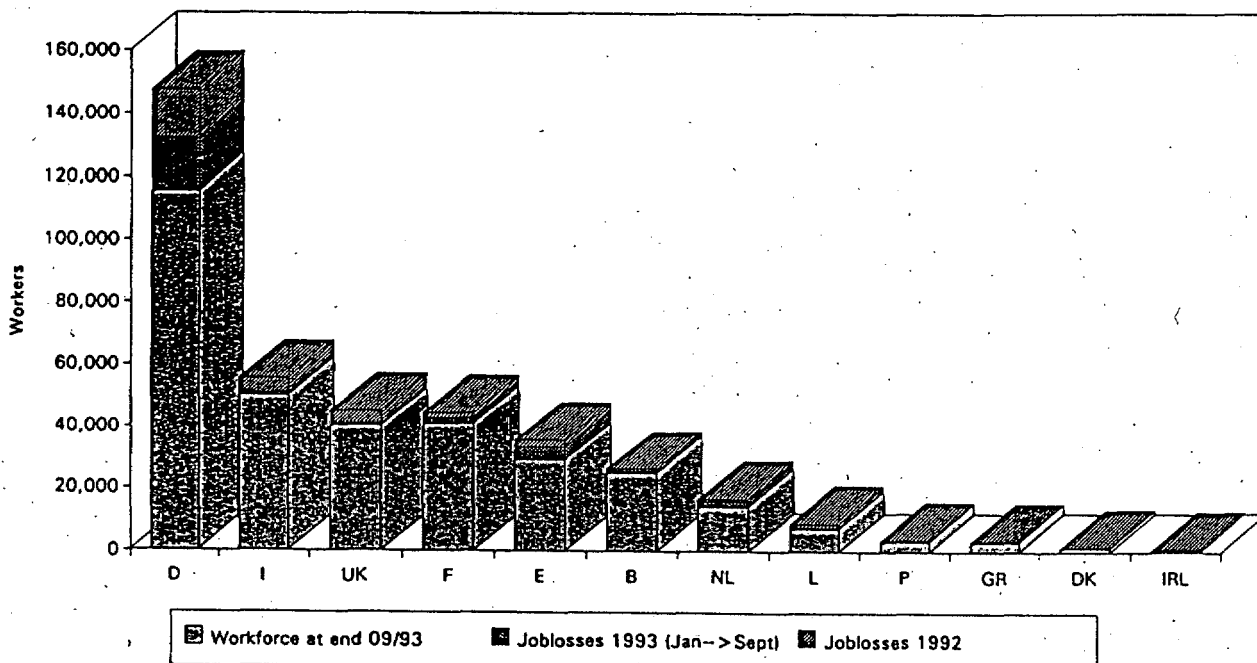
The 1993 ECSC Readaptation Aid allocation covered workers whose jobs were affected in 1992 and 1993. It is to be viewed against a background of extremely heavy job losses in both steel and coal sectors over this two-year period.

IV.1 Steel sector

In the steel sector, in 1992, total net job losses amounted to around 32,000 - a reduction of over 8% in the total Community workforce, leaving just 355,000 workers in the industry. In 1993, final recorded net job losses are likely to be in the region of 35,000, representing a further reduction of some 10%. While all member states except Ireland, Greece and Denmark were affected in a significant manner, the heaviest employment cutbacks were noted particularly in Germany, Italy and Spain.

In 1992 it was acknowledged that acute conditions prevailed in the Community steel market and that prospects for a recovered demand were poor. A survey of the industry indicated that there was a production over-capacity of 19m to 26m tonnes (11% to 15%) for hot-rolled products and of over 30m tonnes (15%) of excess capacity in crude steel production. The Commission agreed that further restructuring was necessary and adopted an action programme to help redress the situation. Among a series of measures, this programme encompassed a set of reinforced social measures to deal with the major consequences of the new restructuring on employment (see Section V.2). It is expected that, between 1993 and 1995, 55,000 to 60,000 workers will lose their jobs as a result of capacity reductions alone. This figure will be swollen by job losses which are the consequence of other reorganisation measures.

Figure 2: Evolution in the European Union steel workforce since 1991 : number of workers



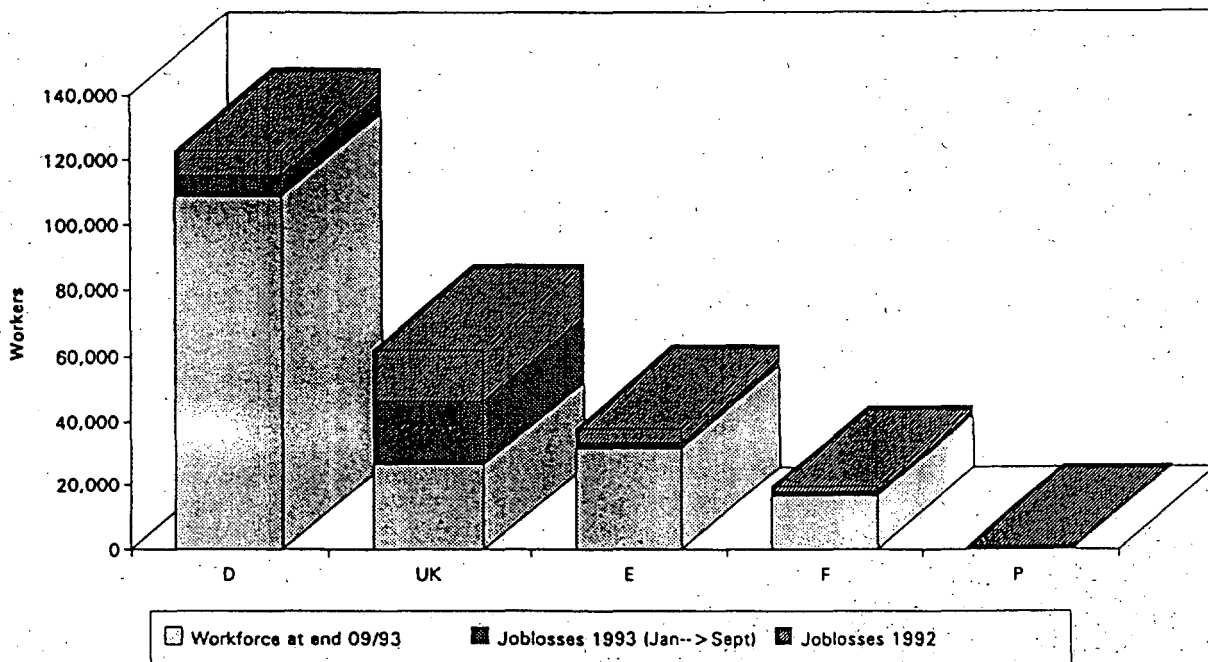
IV.2 Coal sector

In the coal sector, the employment situation is also acute. 1992 net job losses totalled 30,500, bringing the workforce down by over 12% to just 218,000. At the end of 1993, it is estimated that there was a further sharp drop of 15.6% reducing total labour force to 184,000.

In 1993, only five member states were still producing coal (plus Italy where production is marginal). The last Belgian mine ceased operations in 1992. In the UK, moves towards preparations for privatisation led to a major wave of redundancies in 1992 and 1993, leaving just 24,000 people in the coal sector at end 1993. In France, Spain and Germany, ongoing significant job losses continue to reflect energy policy options and the declining importance of coal in these countries. Portugal, which is to shut its remaining coal production down in 1994 in favour of gas, let very few workers go over the two-year period, with the bulk of redundancies to come at final closure.

In 1993 it was acknowledged that supplementary social measures were equally necessary in the coal sector, to follow-up on the successful ECSC complement to the RECHAR programme, which terminated in 1993. Consequently, an indicative three-year budget was estimated and the provisions for a new supplementary coal programme have recently been adopted⁵.

Figure 3: Evolution in the European Union coal workforce since 1991 : number of workers



⁵ Information note on procedures concerning the social measures in connection with the restructuring of the coal industry (1994 to 1997) OJ C108/3 of 16.4.94.

V. COMMITMENTS OF ECSC AID IN 1993

In 1993, commitments were made under all three ECSC Readaptation Aid programmes, namely traditional aid, supplementary steel measures and supplementary coal measures under the ECSC complement to the Community initiative RECHAR.

V.1. Global traditional aid

Applications for aid in 1993 were received from ten steel producing member states and from all five coal producing states plus Belgium. All applications concerned individual workers who lost their jobs, or were forced to adjust to new production processes or transfer to new employment elsewhere in their company, in the years 1992 and 1993.

In total, there were 148 applications, which were dealt with in two separate decisions to grant aid, in July (PH/3391/93) and December (PH/7006/93) respectively. This high number of aid applications marks a significant increase over those presented in the year of the last activity report in 1990, when just 87 applications were submitted. The surge may be explained firstly, by the inclusion as of 1991 of undertakings in the new German Länder under the ECSC aid programme and secondly, by the higher number of smaller producers which, alongside their larger counterparts, are now being affected by the adverse market conditions, particularly in the Italian and UK steel sector and in the Spanish coal sector.

After application of Article 56 and the terms of the harmonised bilateral conventions, a total of 75,531 ECSC workers were deemed eligible under the traditional aid programme. Total finance granted amounted to 182.3 million ECU against an allocated budget of 185 million ECU.

This represents an average amount of 2,414 ECU per worker, which is of course well below the optimal goal of 3,000 ECU as laid down in the conventions. The low level of aid, which has been evident since the inception of the new conventions (see 1990 Activity Report), is largely attributed to the strictly limiting criteria of eligibility. Successive ceilings are applied to calculate the aid, which limit the resulting amount at each stage. Moreover, there is no compensation possible between those member states which do not achieve the maximum average aid per worker and those which exceed it (and are subsequently cut back). In addition, some member states submit only relatively low cost measures for co-financing, thereby forgoing the maximum possible benefit.

Tables 4 and 5 show the allocation of aid and the number of beneficiaries by sector across all recipient member states.

Figure 4: 1993 total traditional Readaptation Aid in MECU by member state

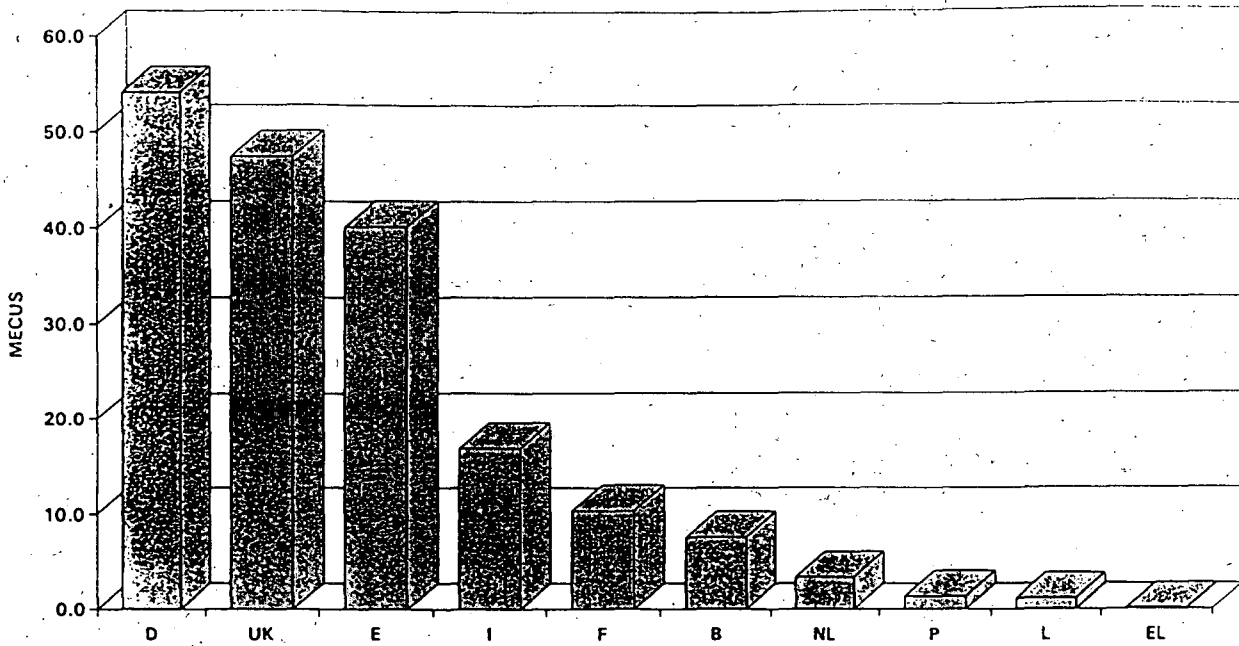
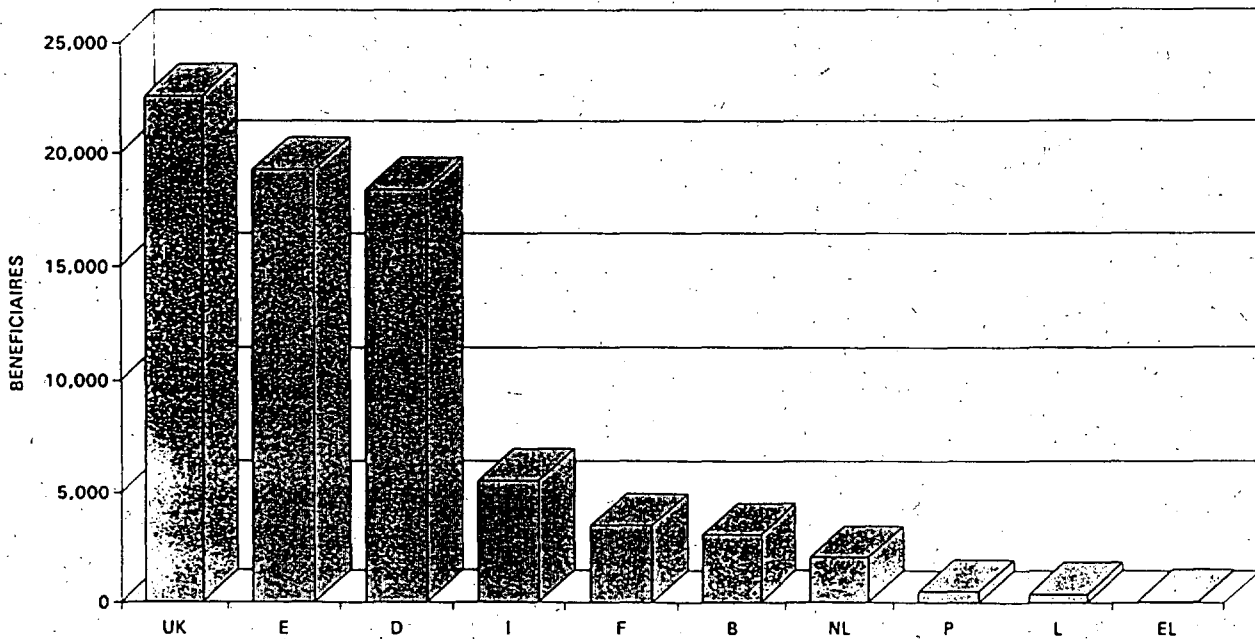


Figure 5: 1993 total traditional Readaptation Aid by number of beneficiaries, by member state



V.2 Traditional Aid for steel workers

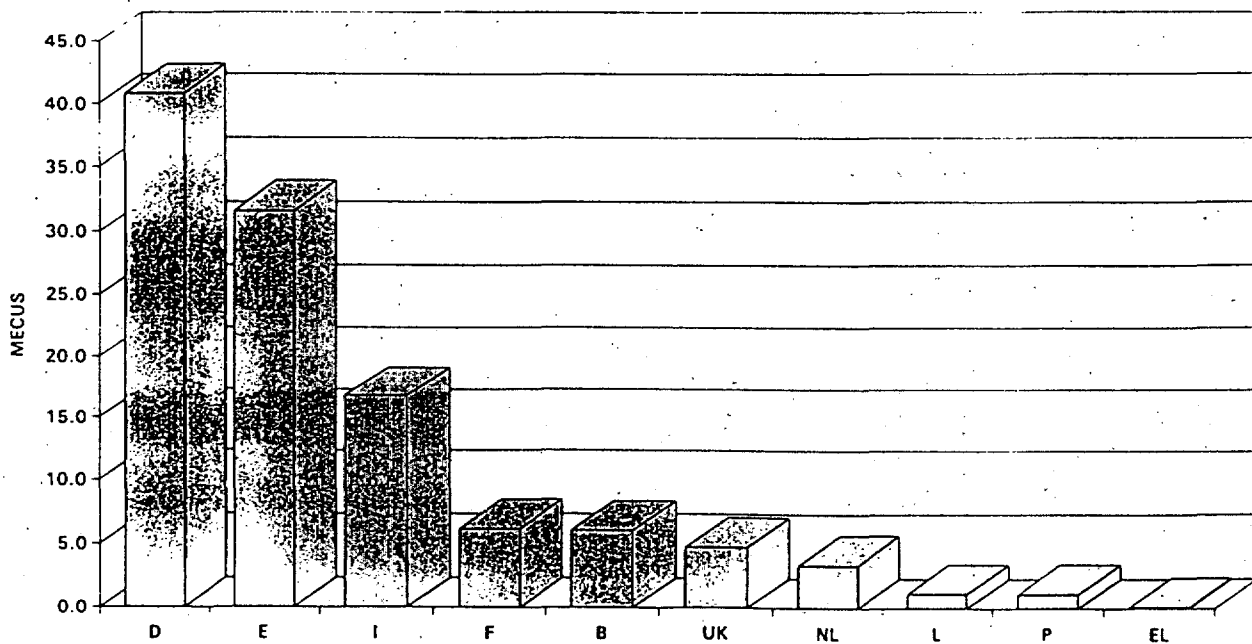
All steel-producing member states, with the exception of Ireland and Denmark, presented applications for ECSC aid. Most applications submitted related directly to workers of individual companies, but some concerned centralised special payments for workers from diverse companies. 124 applications were received, which represents some 84% of the total applications submitted for both sectors. There are several reasons for this high number of aid

applications. While it is indeed partly an indication of the extremely high level of job losses in steel in 1992 and 1993, it reflects also the multi-company structure of the Community steel industry, as opposed to the largely single-undertaking based coal sector (exceptions being Germany and Spain). Of further consideration, the Community steel sector is increasingly marked by recourse to small sub-contractor undertakings to carry out specific tasks which previously were ensured by in-house personnel. While this trend is still marginal, it is often noted particularly for maintenance, transport or slag-clearance tasks. As of 1992, the ECSC decisions to grant aid have recognised this phenomenon and established guidelines for the granting of aid to workers affected in such circumstances. These guidelines allow for the possible inclusion of sub-contracted workers where their activity is indispensable to the ECSC production process, is carried out on site on a permanent basis and where their numbers are marginal vis-à-vis the total number of job losses at the main undertaking. In 1993, 114 sub-contracted men from some 15 undertakings benefitted from ECSC aid under this arrangement.

In total, 43,449 workers, whose jobs were affected by changes, reductions or closures of steel production activity as established in Article 56 and who met the specific criteria in the conventions, were deemed eligible for aid in 1993.

112 million ECU was set aside for these steel-workers in 1993 under the traditional programme. The distribution of this amount by member state is shown in table 6. It is noted that Germany received the lion's share of aid i.e. 36% of the total, closely followed by Spain with some 28% and then Italy with 15%. A more detailed analysis of the aid by member state, set within the national context, is given in section VI.

Figure 6: 1993 traditional Readaptation Aid granted in the steel sector in MECU



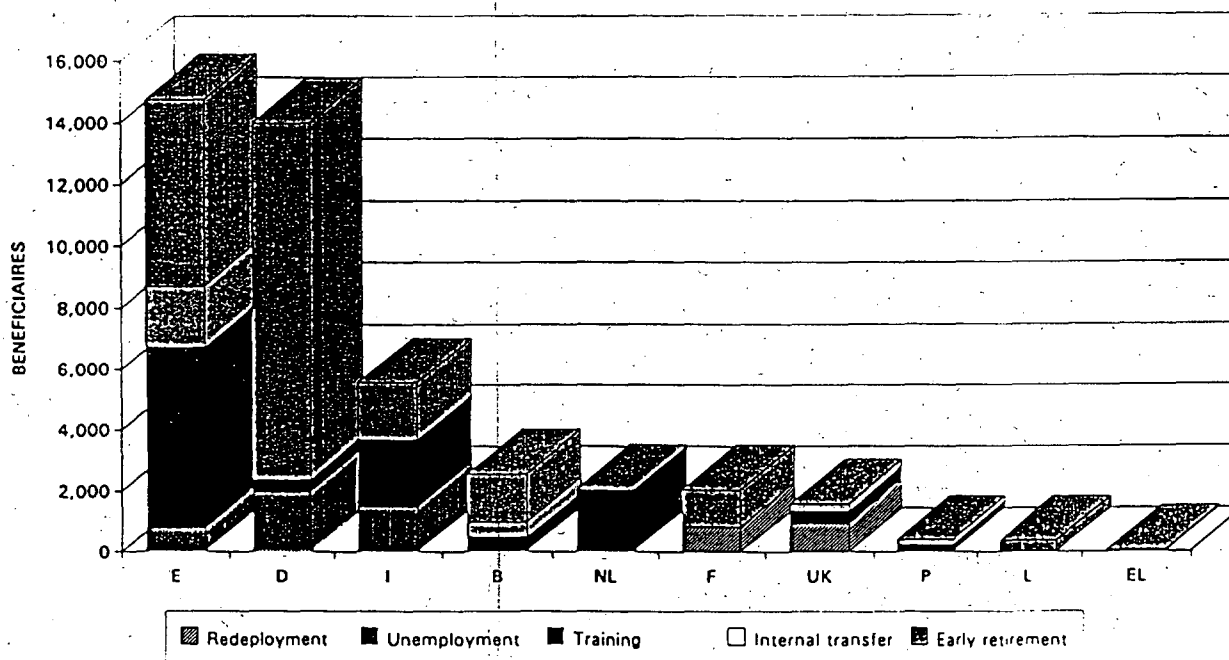
In 1994, a supplementary amount of aid has been granted under the 1993 programme, in favour of workers from the Dutch steel company Hoogovens. This involves an amount of 5.6 million ECU and will be set aside on the 1994 budget, subject to the possible application of the reserve clause.

V.2.1 Specific social measures undergone by steel workers

As to the social measures to be co-financed by this 1993 aid, table 7 illustrates the number of beneficiaries by member state and the type of situation they underwent. Of striking significance is the extremely high level of early retirement, particularly in Belgium, Spain, Germany and Italy. Heavy recourse to early retirement was first made in the early 1980s and today this possibility is still viewed by the social partners as the most optimum way to bring about decreases in workforces in a fairly acceptable social manner. Moreover, it is still favoured by the trade unions, which continue to opt for its inclusion in social protection agreements, notably in Spain, Germany and France.

However, while it is indeed a relatively soft means of achieving withdrawal from the labour market, this measure has proved to be prohibitively expensive. Such high cost burdens could and indeed are inciting governments, faced with increasing public budget constraints, to review their participation in the costs of early retirement. Moreover, massive implementation of pre-retirement packages over many years has led to a largely unbalanced age pyramid in the Community steel industry. By far the majority of the Community workforce in this sector are between the ages of 30 and 49. Against this background, the Commission contracted a recent study to examine the impact of such demographic evolutions⁶. The study, which concluded that older workers should be valued more highly than appears presently to be the case, is elaborated upon further in section VIII.

Figure 7: 1993 traditional Readaptation Aid granted in the steel sector by numbers of beneficiaries and measures undertaken.



⁶ "L'impact socio-economique sur les industries siderurgiques des évolutions démographiques internes et externes". CEDRES Paris 1992.

A good proportion of steel workers underwent vocational training on leaving the industry, which will provide them with new skills and qualifications for the future, even if the current European employment market still appears bleak. Today's steel worker is generally much more highly skilled than in the past. Moves towards the multi-skilling of employees are rife, in order that they may be well versed with both mechanical and electrical aspects of steel production as opposed to achieving clearly demarcated skills. Thus, in many cases the redundant individual may have a good base on which to build with further training to enhance his/her chances of re-employment. The UK, Italy and France ensure particularly strong retraining possibilities.

Vocational training was also provided for a certain number of employees who remained with their steel company but, as a result of restructuring, either moved to a different unit or saw their daily tasks transformed by a new production process. The need to change and develop product ranges, in a highly competitive market marked by increasing demands for quality and special requirements, is imposing considerable technological revolutions on the industry. In these circumstances, the worker may ensure that his employment is safeguarded only where he is prepared for change. Such profound change requires a period of re-training and may even involve resettlement. These workers were covered by the ECSC for part of their training costs and, in some cases, for mobility allowances. Most of these measures took place in Spain, Italy and the Netherlands.

In addition, nearly 2,000 beneficiaries of aid, largely in France and the UK, were redeployed directly into new employment, or indeed set themselves up in business. Wage make-up payments and/or resettlement costs were made available to these particular beneficiaries. While the Community steel industry is not as tightly geographically limited as coal, many regions are nonetheless heavily dependent on steel. Consequently, redundancies in a steel area may have an extremely harsh impact on the local economy, particularly where there are major knock-on redundancies in associated industries and services. Redeployment possibilities in the immediate area may be very limited and the ECSC aid can also assist people to move away from the region in search of employment in a more prosperous area.

Tideover allowances for the unemployed also figure among the measures supported by ECSC aid in 1993. Such measures, notably in Spain, the new German Länder and Italy, are generally implemented where redundancies are either too sudden or on too large a scale for recourse to more positive measures to be organised immediately. A certain boost to the normal level of unemployment benefit is afforded by the ECSC for these steel workers, who this year number just over 4,000.

The particular characteristics of the national social programmes co-financed by this year's ECSC traditional aid grant, together with an insight into the specific component elements of each standard ECSC measure are highlighted in section VI.

V.3. Supplementary steel measures

In 1992 the Commission, acknowledging that the steel industry was undergoing a particularly difficult period, marked notably by a price collapse, adopted a comprehensive programme to help reinforce the competitiveness of this sector. This action programme included social

measures to cushion more effectively the consequences of the necessary new wave of restructuring for workers and to spread the costs involved, particularly by easing the financial burden to the undertakings.

It was estimated that up to 60,000 jobs could be lost as a direct result of the restructuring and nearly 70,000 steel workers, made redundant or transferred, could stand to benefit from a boost in Community aid. In April 1993, the Commission adopted proposals for the implementation of the supplementary steel measures over three years (1993 - 1995), with an indicative budget of 240 million ECU⁷. This programme, drawn up after consultation of the trade unions and the employers by Mr Flynn, the Commissioner for Social Affairs and Employment, foresees an enhanced level of ECSC aid towards early retirement, redeployment and unemployment, at average levels per worker of 5,000 ECU, 4,000 ECU and 2,000 ECU respectively. In view of the industrial policy goals of this programme, eligibility is limited strictly to workers affected by reductions in steel-making capacity (thus a tighter definition than that for traditional aid). The Commission reviews the progress of these capacity reductions on a continuous basis.

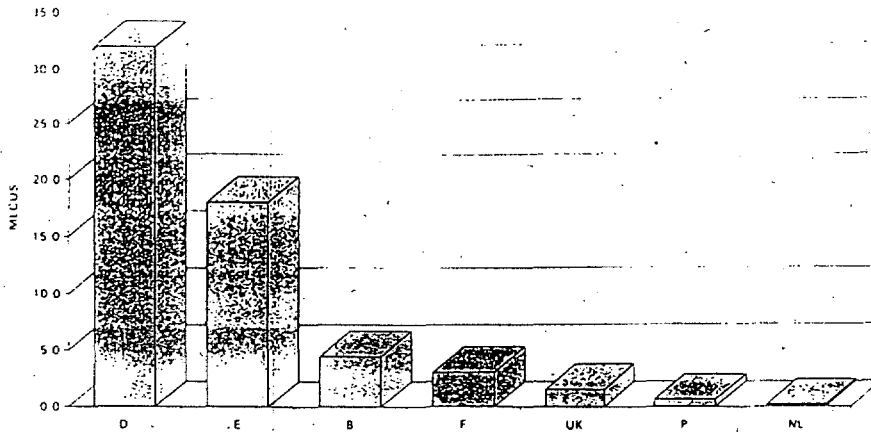
Already in this first year of the new restructuring there were many closures of plant and equipment, taking considerable capacity out of the industry and leading also to several thousand job losses. Applications for aid were received from nine member states. Ireland and Denmark each with very small steel sectors did not pursue capacity reductions in 1993 and an application from Greece was ultimately withdrawn. The applications for Italy and Luxembourg and part of that for Germany were carried over to 1994 as they required further clarification and confirmation.

In the remaining seven countries, 23,856 workers were granted supplementary aid. They were all affected by permanent capacity reductions underway in 24 Community steel undertakings. A certain number of workers were found to be ineligible, as they were affected by reductions only in manned capacity (reduced shift patterns) or cutbacks in foundry, coke or finishing production. Others were deemed ineligible as they were active in administrative units not attached to the undertakings. Only those individuals strictly active in some way in the direct production of finished rolled products and/or crude steel were covered by this decision.

In 1993, a budget of 60 million ECU was earmarked for the supplementary measures and this was exhausted. In fact, even after a strict and thorough application of the terms of eligibility, the eligible amount of aid stood at some 80.8 million ECU. The remaining 20.8 million ECU was, therefore, carried over to the 1994 operating budget, to be granted as a second allocation. The distribution of this sum across the member states is shown in table 8.

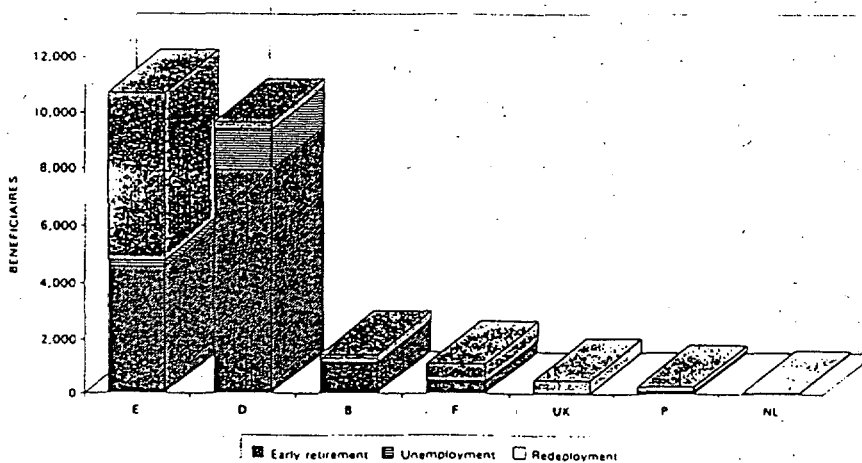
Information note concerning the implementation of the social measures for the restructuring of the steel industry, COM(93)178 of 28.4.93

Figure 8: 1993 supplementary steel aid in MECU



As regards the social measures put into practice, given that this programme supplements the traditional aid, by and large the same picture is given for both. Over 50% of the beneficiaries benefitted from increased finance towards early retirement, followed by some 35% being redeployed, with only a small number taking unemployment. Slight innovations were introduced under this steel aid, to complement the traditional programme. Thus, for example, the redeployment measure comprises the full range of possibilities, including all forms of vocational training, salary compensation for transferees and individual job-seeking advice. Also, under the unemployment measure, the Commission may take into account new forms of work-sharing, involving for example a reduction in working hours. While there is a debate, in the embryonic stages, on the value of job-sharing in the steel industry, in 1993 the possibility of ECSC co-finance was not taken up. Table 9 illustrates the range of measures and number of beneficiaries.

Figure 9: 1993 supplementary steel aid by number of beneficiaries and measures undertaken



V.4 Traditional aid for coal workers

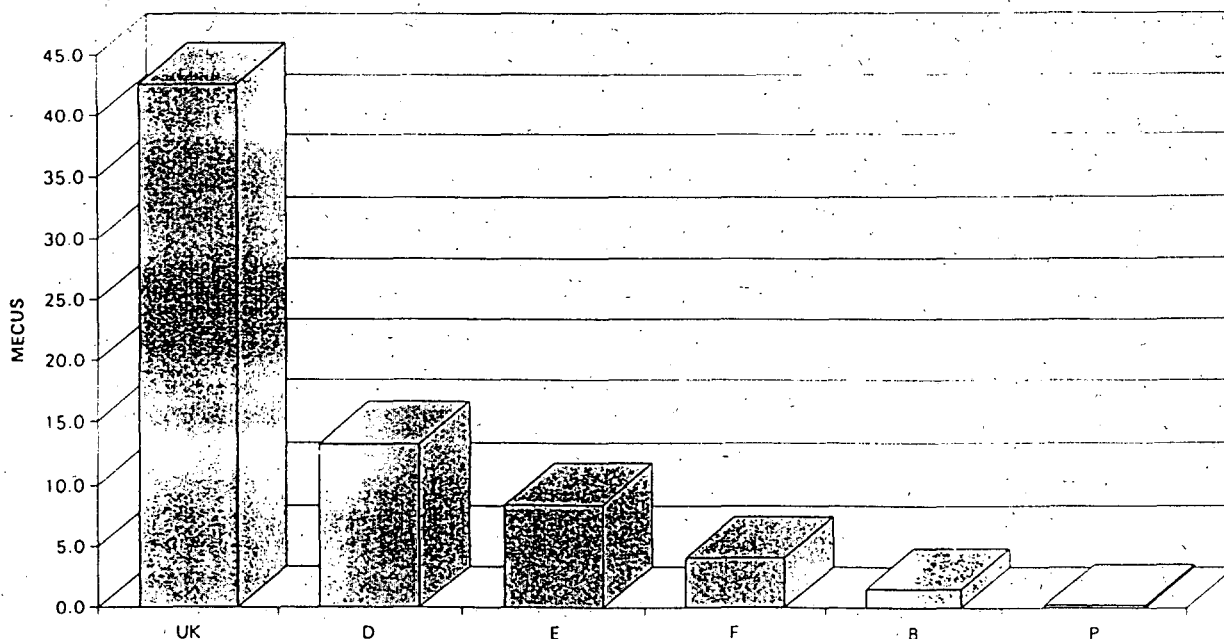
Applications for aid were presented by six member states, namely Belgium, Spain, France, Germany, Portugal and the UK. The 24 applications were largely presented by nationalised undertakings, with the exception of Spain, where numerous small coal producers are active.

All 32,082 workers who were the subject of these aid applications were deemed eligible. Just 125 of these fell specifically under Article 56 (1)(c), as a result of the introduction of new technical processes and equipment in the Spanish coal industry. The remainder were eligible under Article 56 (2)(b).

66% of all beneficiaries were in the UK coal sector, where the transition to alternative energy sources and continued moves towards privatisation of the industry are underway. It was noted that, while British Coal has ceased production itself in some mines, certain collieries remain under a care and maintenance situation with a view to possible new ownership. Appropriate safeguards will, therefore, be taken to avoid any future double ECSC financing for the workers re-employed by these new owners.

Table 10 illustrates the amounts of aid by member state. While the UK was by far the largest beneficiary, with 60% of the total amount allocated, in Spain too there was a significant level of aid, reflecting the heavy restructuring now underway in this member state. A more detailed analysis on the background to this aid by member state is given in section VI.

Figure 10: 1993 traditional Readaptation Aid granted in the coal sector in MECU



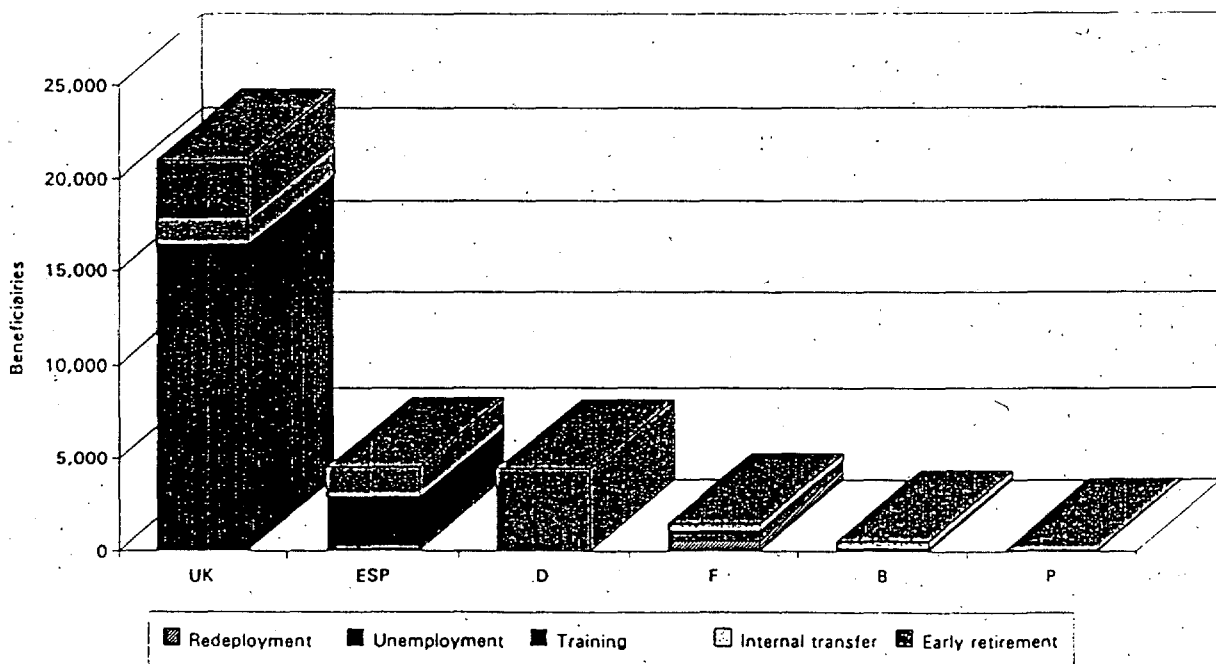
V.4.1 Specific social measures undergone by coal workers

Table 11 illustrates the range of situations undergone by ex-miners who benefitted from the 1993 aid allocation. It is immediately apparent that the take-up of aid differs greatly from that in the steel sector.

Firstly, while a third of all beneficiaries left with pre-retirement packages this represents nonetheless a comparatively lower proportion than in steel. While, as already noted, the age structure in the steel sector shows a workforce grouped in the relatively low age brackets, the story for coal points to an even younger workforce. In the UK, for example, the average age of a redundant miner is now 38. Given that in most member states, the eligible age for early retirement benefits is 50 or 55 years, there is generally limited scope for workers to take early retirement (with notable interesting exceptions, eg. Belgium, where underground workers have been able to retire at a much younger age if they have 20 years of seniority). Vocational training too does not figure highly in the social measures supported by ECSC aid in 1993, with only Spain and France drawing on resources for this. Likewise, redeployment either within the undertaking or to a new one is extremely limited.

Of striking significance is the heavy recourse to ECSC unemployment aid in the United Kingdom. Here, ECSC co-finance goes towards large one-off redundancy payments which are the norm for miners, both of early retirement age and under, who leave the industry. As such, this type of aid is not strictly to be termed unemployment benefit but falls under this title for the purposes of granting aid, as the lump sum payment can be considered as an addition of future potential tideover allowances.

Figure 11: 1993 traditional Readaptation Aid granted in the coal sector, by number of beneficiaries and measures undertaken



V.5. ECSC complement to Community Initiative RECHAR

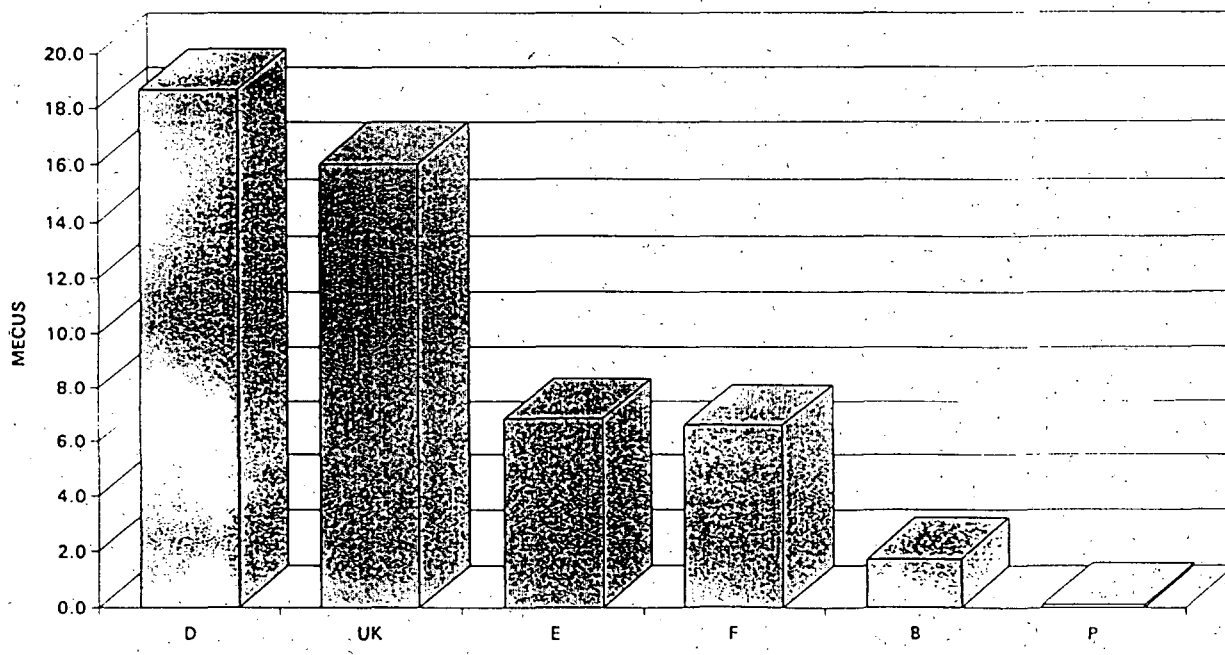
1993 marked the final year of the Community initiative RECHAR. The ECSC Readaptation Aid complement to the RECHAR programme largely mirrors the supplementary measures for steel. It involves additional finance for early retirement, self-employment initiatives, vocational training and basic "pre-training" for the reintegration of less qualified workers. Maximum aid is set at 4,000 ECU per beneficiary.

Six member states presented applications for aid. These were broken down by region corresponding to the RECHAR operational programmes. All 36,384 ex-miners concerned were judged eligible for aid. The budget allocated to this final year of RECHAR was 50 million ECU. This was totally exhausted, indeed total eligible aid amounted to some 55 million ECU and a linear reduction was, therefore, applied to all member states.

All four available measures were taken up. An additional period of early retirement was co-financed for just over 10,000 ex-mineworkers. Around 20,000 individuals benefitted from this allocation towards re-training of some form. Germany and Spain were the only countries not to call on "pre-training" finance. Elsewhere, pre-training programmes included assistance to overcome social and psychological handicaps, individual job-seeking guidance and even language courses for immigrant workers. Only the United Kingdom applied for assistance to people requiring help with new business ventures. Here some 4,000 ex-mineworkers were given the chance to avail themselves of managed workshop space or use free enterprise agency services.

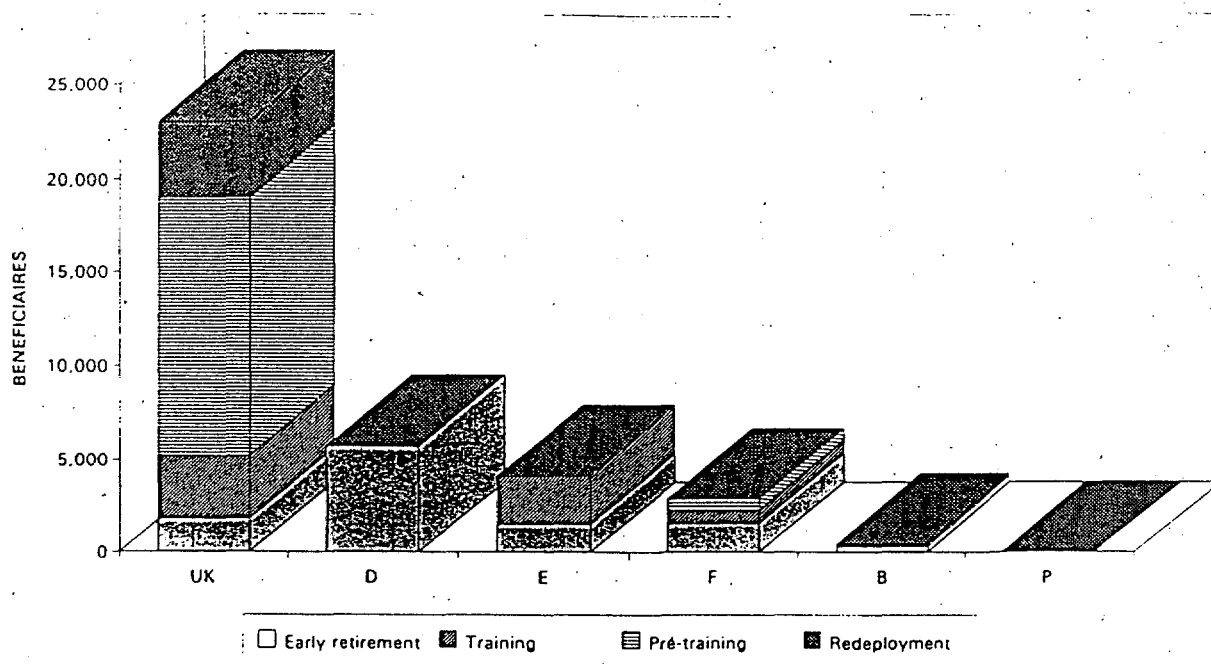
Over the four-year period covered by RECHAR, the ECSC Readaptation Aid complement to this programme has contributed a total of 175 million ECU in additional monies towards the enhanced social protection and redeployment of ex-miners. The Commission recognises that the declining coal industry throughout the European Union will continue to impact on jobs and quite considerably so in the short-term future. With this in mind, it has decided to continue with a supplementary coal programme, with an alignment of the provisions towards the steel programme⁸. It has earmarked a budget of 40 million ECU in 1994 for this. Tables 12 and 13 illustrate the 1993 grant of aid under this programme by amounts and number of beneficiaries.

Figure 12: 1993 ECSC complement to RECHAR programme in MECU



⁸ Information note on procedures concerning the social measures in connection with the restructuring of the coal industry, Official Journal C108 of 16.4.94

Figure 13: 1993 ECSC complement to RECHAR programme by number of beneficiaries and measures undertaken



V.6 Type of benefits to workers and ECSC contribution to costs

Readaptation Aid is employed across the member states, and even across the sectors, in a similar but not identical manner. By means of examples, in some member states, a worker taking early retirement will receive a severance payment on leaving the company, in others this will not be the case. Certain governments will assure the maintenance of a redundant worker's social security contributions in order to secure his/her pension rights. Vocational training measures, which generally allow for financial support to the organisational and income costs, may also provide for a bonus to the trainee on completion of the course in some countries. Table 14 illustrates the way in which the five standard ECSC measures, broken down into component elements, are applicable in 1993 in each member state.

Figure 14 : Application of the five ECSC standard measures in the member states

	EARLY RETIRE- MENT (COAL)	EARLY RETIRE- MENT (STEEL)	UNEM- PLOY- MENT (C + S)	EXT. REDEP- LOYMT(C + S)	INT. TRANS- FER (C + S)	VOC. TRAIN- ING (C + S)
BE	A,B,C	B,E	A,E,C	A,C,F,H	F,H	I,J,K
DE	A,B,C	A,E	C,E	C,H	F,H	C,I,J
EL	-	-	E	-	-	-
ES	B,D,E	B,D,E	A,E	A,F,H,L	F,H	I
FR	B,C,D,E	B,D	A,C,E	C,F,G,H	F,H	I,J,K
IT	B,D	B,D	C,E	A,F,G,H	E,H	D,I,J,K
LUX	-	B,D	E	F	-	D,I,J
NL	-	D,E	D,E	F,H	F,H	I,J
PO	A,D,E	A,D,E	A,E	A,F,H,L	H,G	I,J
UK	A,B,C	E	A,C,E	A,C,F,H	F,H	I,J

- A: Severance payment
- B: Retirement benefit
- C: Benefit in kind (coal sector only)
- D: Social security contributions made for worker (to retain pension rights)
- E: Tide-over allowance
- F: Wage make-up payment (to compensate new lower salary)
- G: Outplacement search costs
- H: Mobility / Transfer expenses
- I: Training organisational costs
- J: Income support (while undergoing training)
- K: End of training bonus paid to worker
- L: Self-employment grant

Moreover, the costs of the above measures equally vary considerably across member states, with significant differences also noted between two sectors within one member state. Table 15 is taken from the study on gross costs of Readaptation Aid and additionality, as discussed in section III. Figures are as obtained under the 1991 traditional aid programme.

This table illustrates the average costs per worker of the specific ECSC elements of each of the five standard measures in the bilateral conventions, over the duration laid down in the conventions. It also gives the percentage of this cost which is met by traditional Readaptation Aid. By way of example, the average cost per worker of early retirement, over an 18 month period, in the Belgian coal sector is 22,613 ECU. The ECSC contributed 11.75% of this total amount in 1991. From the table, it can be noted that the average ECSC contribution across

all member states ranges from 8.51% for early retirement measures in the coal sector to 35.26% for internal transfer measures. It is also noted that, taking all measures and both sectors together by member state, Readaptation Aid makes up the smallest percentage of costs in the United Kingdom (10%) and contributes in the most significant way in the Netherlands, where its financial intervention makes up 39.85% of total costs. Finally, the average ECSC contribution across all measures and member states is 13%.

Figure 15 Average costs per worker and ECSC contribution to the five standard social measures over the duration of the ECSC intervention period - 1991 figures.

Measure	1		2		3		4		5		6		7	
	ECU	%	ECU	%	ECU	%	ECU	%	ECU	%	ECU	%	ECU	%
BE	22,613	11.75	11,671	25.70	0	0.00	6,137	21.64	0	0.00	13,100	22.90	15,411	17.76
ES	20,043	14.58	15,740	25.41	26,513	11.02	0	0.00	0	0.00	11,713	31.18	20,341	16.46
FR	20,193	15.00	29,484	11.57	0	0.00	17,790	-8.51	1,606	50.00	17,037	17.61	19,984	14.55
DE	29,877	7.62	14,632	14.84	2,000	40.45	3,600	19.48	0	0.00	13,398	10.56	15,232	11.60
IT	0	0.00	22,173	17.85	1,121	28.48	22,308	8.77	0	0.00	8,021	24.26	14,530	18.86
LU	0	0.00	38,064	9.39	0	0.00	2,947	50.00	0	0.00	1,235	28.18	26,829	10.33
NL	0	0.00	8,537	0.00	0	0.00	0	0.00	0	0.00	2,650	39.85	2,650	39.85
PO	6,473	48.66	11,525	34.71	5,021	50.00	7,326	27.30	0	0.00	0	0.00	8,022	39.74
UK	24,109	12.77	6,340	50.00	27,173	7.00	6,426	31.12	2,889	34.81	22,911	15.92	21,532	10.00
<i>Eur</i> Average	28,400	8.51	18,236	15.71	13,147	10.44	8,490	11.40	9,085	35.26	10,959	19.41	16,441	13.00

- 1: EARLY RETIREMENT : COAL SECTOR
- 2: EARLY RETIREMENT : STEEL SECTOR
- 3: UNEMPLOYMENT
- 4: EXTERNAL REDEPLOYMENT
- 5: INTERNAL TRANSFER
- 6: VOCATIONAL TRAINING
- 7: ALL MEASURES COMBINED

VI AN OVERVIEW BY MEMBER STATE OF MEASURES AGAINST THE INDUSTRIAL AND EMPLOYMENT BACKGROUND

This section provides a more in-depth analysis of the background to the granting of ECSC Readaptation Aid in 1993. It examines the industrial context against which job losses, internal training and transfers were set and also the nature of the social programmes put into place in each national situation.

Belgium

In the Belgium coal sector, while the last colliery closed in 1992, workers will still be involved in dismantling and clearance activities for some time to come. A small number of these people were let go in 1993 and benefitted from early retirement or from various redeployment measures, notably under the national/regional employment services and also the Begeleidingsdienst Limburgs Mijng gebied (BLM) which was specifically set up to contribute to the coal reconversion social measures.

In the steel sector, where undertakings are working at below full capacity, reduction programmes were embarked upon in 1993. In this framework, the main undertakings decided on the implementation of restructuring plans involving the closure of certain installations. Steelworkers who lost their employment were largely covered by early retirement packages in 1993, co-financed by the ECSC. However, it was possible to transfer a small number of workers internally and many of these, together with others who were made redundant, received re-training. Recourse to short-time working was also made increasingly in this year, in which the ECSC did not participate financially.

Germany

As a result of the bleak outlook for coal in Germany, a revision of the 1988 Kohlerunde was necessary in 1991. This instigated further cuts in coal production, involving a reduction in subsidised output down to 50m tonnes per annum by 2005. Additional personnel will be affected to those covered by the initial Kohlerunde, at the anticipated rate of some 2,000 per year. Among other measures, this will imply that 5 of the 17 Ruhrkohle AG collieries will be shut down by the mid-1990s and that the Sophia-Jakoba sites will close completely by 1997. The already acute situation has been exacerbated by the slump in German steel production. In the period 1992/93, nearly 16,000 men were let go under early retirement programmes. At the age of 50, these people may receive tideover allowances to take them up to the age of eligibility for the normal miners' pension scheme at 55.

1993 was also an extremely difficult year for the German steel industry, with the former Länder suffering the greatest drop in production. Severe adjustment measures were set in place to redress the lack of market equilibrium, with all undertakings being affected. The company Thyssen Stahl alone plans job reductions involving some 20% of its workforce. In the new Länder, where the decline of this sector has been huge, the employment cutbacks have now slowed somewhat. In total, some 12,000 workers received ECSC benefits, largely for early retirement measures, some 10,000 of these were also eligible under the

supplementary steel programme. The replacement worker principle is heavily applied in Germany, whereby a younger worker can take the job of a non-ECSC worker, who in turn goes into early retirement. Early retirees are guaranteed an income of between 85% and 95% of their former salary by means of a severance grant and extra monthly payments to complement their unemployment benefit. In view of the preference for early retirement, only a very small amount of training is co-financed by the ECSC.

Spain

In the Spanish coal sector, in 1993 most of the various undertakings which remain in private hands continued the implementation of the national reorganisation plan launched in 1990. This foresees, on the one hand, guaranteed market openings in view of long-term contracts secured with the electricity suppliers and, on the other, a reduction in non-viable production. Large redundancies were also noted in the public sector mines.

Events in the steel sector were marked notably by a new phase of restructuring in the public sector, both in the integrated and special steels areas. These restructuring programmes comprised closures in capacity and in certain cases were accompanied by mergers between undertakings. In both industries, the great majority of workers affected by the restructuring left under early retirement packages. As an example, an ex-miner may benefit from allowances amounting to nearly 80% of his former salary. In 1993 the eligible age for early retirement was lowered from 55 to 52 allowing more people to benefit. Most of the remaining workers to lose their jobs were made unemployed and received severance grants on their departure. These severance grants are determined within a ceiling of some 30,000 ECUS in the coal sector and may even reach 50,000 ECUs in the steel sector. The social plans drawn up to determine the nature and financing of these measures are the subject of agreement between the government and the social partners. As to sharing the burden of cost, in the steel sector, the undertaking has taken on a greater financial responsibility since the employment promotion funds (Fondos de Promocion de Empleo) have ceased operations. In the coal sector, legislation for the restructuring of the industry foresaw a compensatory role for OFICO, a special body which is easing the social costs of the closures.

France

In 1993, the French state-owned Charbonnages de France continued to pursue its long-term adaptation strategy, the objective of which is the complete closure of the Lorraine collieries by 2005. Moreover, the last iron ore mine was closed in this year.

Against a market of decreasing demand, the French steel sector was obliged to focus its industrial strategy on reducing its costs, which involved essentially a review of its production capacity. The areas particularly affected by these steps were those of long products and, to a lesser extent, flat products. Despite the acute nature of the economic crisis, recourse to unemployment measures were few, by virtue of the application by the main undertaking Usinor Sacilor of the convention on employment as incorporated into the 1993 social plan. Under this agreement, redundancies without any form of outplacement effort are forbidden. Each worker receives the proposal of a solution tailored to his particular situation and, in 1993, many workers were transferred directly into new employment.

Greece

In the Greek steel sector there are five steel undertakings, of which, in 1993, one, Hellenic Steel, embarked upon a restructuring plan. This focused on reorganisation at both production and management level and permanent cutbacks in production. The ECSC contributes to increase the unemployment benefits for the workers affected, which are relatively low and for a relatively short duration. New legislation to introduce more positive social measures is under preparation.

Italy

In 1993 the Italian steel sector was largely preoccupied by plans for a new wave of restructuring against the background of moves -to privatise the various plants and subsidiaries of the main undertaking ILVA. Already, in 1992, the major steel producers had set in motion a series of restructuring programmes geared to greater specialisation. On top of these plans came moves in 1993 towards a concerted wave of closures. However, the impact of these steps on jobs will only be felt in 1994.

ECSC Readaptation Aid in 1993 was granted to workers taking early retirement, unemployment and also those undergoing a period of partial unemployment under the Cassa Integrazione Guadagni Straordinaria (CIGS), a public fund allowing for a special level of social protection for such workers who also retain their employment contract. In addition, a large number of people were retrained and transferred internally within their companies.

As of 1992, by law Italian steel producers have had to contribute more to the cost of early retirement for their employees. Whereas in the past they had only to make up 30% of the total allowances, now they must match the national government aid for these measures. Employers must also foot more of the bill for unemployment benefit too, which is guaranteed for a period of between 12 and 48 months (or even 60 months in the Mezzogiorno region), depending on the age of the redundant worker.

Luxembourg

The Luxembourg steel sector saw significant changes to production activities in 1993. Of key importance was the transfer of steelmaking away from the traditional blast furnace route to electric arc furnace production. Some 380 workers received ECSC aid as a result of these changes, all of them benefitting from early retirement measures.

Netherlands

The steel sector in the Netherlands is dominated by a sole undertaking, Hoogovens Groep BV, which employed some 15,000 people as at end 1992. In 1992/93 restructuring measures focused on the drive for greater product quality in an increasingly demanding market. Over this two year period some 3,400 jobs were lost, many of which by natural wastage. However, the vast majority of workers leaving the industry, notably those over 55 years, took voluntary

redundancy with an early retirement package. While the normal eligible age for early retirement is 57 1/2, it was reduced to ensure a more socially acceptable reduction of the workforce. Unemployed workers were assisted by outplacement efforts co-financed by employer and employee contributions, with no state intervention. In addition, internal reconversion training was carried out at Hoogovens. This was extensive, given the increased attention to quality and new skills required by workers to manage new production processes. With the exception of the outplacement efforts, ECSC aid co-financed all these measures.

Portugal

In the context of the introduction of natural gas to Portugal and, in particular, to the thermal centre of Tapada do Outeiro, it has been decided to close the coal mine with production being completely terminated by the end of 1994. To this end a gradual reduction in the workforce has been underway for several years. In the period 1992/93 some 200 workers were made redundant, leaving 500 in the industry. While certain early retirement packages have been offered to those workers old enough to benefit, the majority of ex-miners have been given severance payments and made unemployed. Efforts are being made to assist some people to set up their own businesses where possible, with ECSC assistance.

In 1993, in the steel sector, a new four-year restructuring plan was drawn up for the main Portuguese steel undertaking, Siderurgia Nacional. This will involve both capacity reductions and changes in production processes. Most importantly, production is to be transferred away from the blast furnace route over to the electric arc furnace process. Significant social measures are to be implemented to cushion the impact of this reorganisation, including the possibility for workers to take time off to following re-training courses, before they leave the company's employment.

United Kingdom

In the United Kingdom, the market for coal is steadily in decline. It is envisaged that sales to the electricity generators, coal's main consumer, will continue to fall. In 1992 the United Kingdom's principle coal undertaking British Coal concluded that 31 of its 50 remaining collieries should be closed; as 10 were loss-making and 21 were unable to secure a market for their coal. After a government review to examine the prospects for those deemed to have no market, it was concluded that 12 out of the 21 should nonetheless be market tested to assess whether low cost, high quality output could be optimised.

In 1992 and 1993 there were, nonetheless, significant job losses at all 31 of the above collieries and also at others, which continued to seek efficiency in the severely restricted market. By far the majority of workers who left the industry received compensation in the form of a substantial lump-sum redundancy grant, based on age and years of service. In view of the low average age in the industry, few early retirement measures were possible. While training is available to workers on leaving the industry, the length and therefore costs of this are fairly limited. As such, ECSC co-finance is assured solely under the supplementary coal programme.

In the British steel sector, 1992/93 saw several capacity closures, the largest being at the British Steel Ravenscraig plant. Many of the smaller independent producers were also forced to cut back jobs, in ongoing efforts to improve efficiency and react to changes in demand towards higher quality and different product ranges. By far the majority of workers let go benefitted from the generous training and redeployment package offered under the national Iron and Steel Employees Readaptation Scheme. Ex-steelworkers may receive up to 52 weeks of training and also 26 weeks wage compensation, if their new employment is less well remunerated than their previous job. In 1994, unfortunately, the ISERBS programme was terminated, with the diminishing ECSC contribution to total costs being cited as an instrumental factor in this decision.

VII. PAYMENTS AND CANCELLATIONS OF AID IN 1993

VI.1. Payments

In 1993, total payments of aid, made on the basis of earlier commitments, amounted to 137.2 million ECUs for the traditional aid programme, 28.5 million ECUs for the complementary steel programme and 35.4 million ECUs for the ECSC complement to RECHAR. A marked acceleration in the rhythm of payments has been noted in recent years, which is extremely positive. While, in 1989, just 11% of traditional aid committed was paid after one year, this percentage had risen to some 27% in 1992 (see table 16).

This welcome change is the result of both improved dialogue between the Commission and the national administrations and the swift solutions sought to overcome initial problems resulting from the introduction of the new bilateral conventions. The strict application of the requirement for final payment request to be made within four years after commitment of aid, under Article 13 of the bilateral conventions, has also assisted in this respect.

In parallel with the accelerated rhythm of payments, an improvement in the quality of information to be provided with payment requests has also been noted. Certain problems do, however, remain with the processing of these requests. Notably, there have been certain cases where beneficiaries declared ineligible under the decision to grant aid have, nonetheless, been presented for receipt of aid at payments stage. Also, there is sometimes a lack of clear reference between a payment request and the original decision to commit aid.

Moreover, with the collaboration of other Commission services, DGV has taken steps to avoid undue administrative burdens, where the programme of social measures as presented at payments stage diverges somewhat from the original forecasts. In addition, an improved accounting system set up in 1992 (which enhanced that already developed as documented in the 1990 Activity Report) has led to a better follow-up of aid committed. Above all, commitments are clearly linked to a particular calendar year and no transfer between the accounts holding these credits is possible. An internal Commission audit carried out in 1993 found this system to be adequate to the needs of the service and to contain a very low margin of error (in accordance with the norms established by the International Standards Organisation). The table below shows the accelerated evolution as regards aid committed between 1989 and 1992.

Figure 16: Rhythm of payments of traditional Readaptation Aid between 1989 and 1992

YEAR OF AID COMMITMENT	PAYMENTS MADE AFTER -			
	1 YEAR	2 YEARS	3 YEARS	4 YEARS +
1989	10.9%	34.6%	63.2%	83.9%
1990	10.4%	47.4%	69.7%	n.a.
1991	26.7%	32.6%	n.a.	n.a.
1992	26.8%	n.a.	n.a.	n.a.

n.a.: not applicable

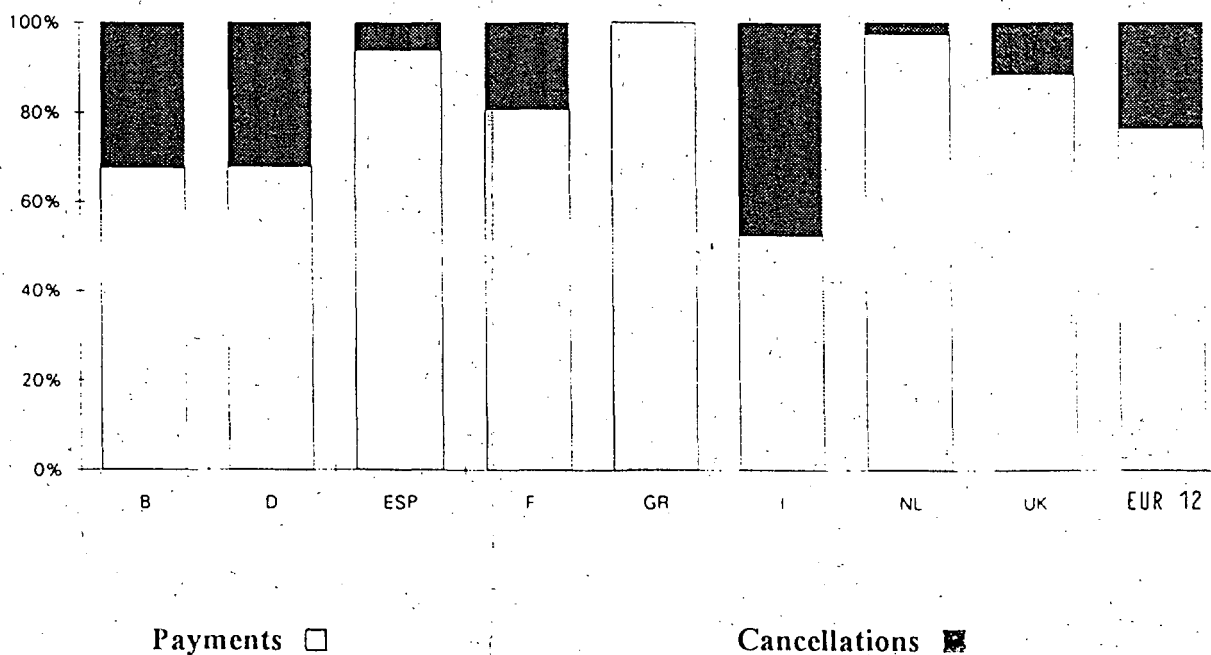
Since the entry into force of the new bilateral conventions in 1989, implementation reports have been received with the final payment request. These are an important source of information for evaluation purposes and enable the Commission to verify that the aid it has disbursed has been employed for the measures intended. The content and form of these reports varies considerably and, with this in mind, the Commission has pressed member states to agree on a precise framework. A simplified version was drawn up after the 1993 annual meeting with the national administrations. The presentation of this implementation report will in future be obligatory.

Regular control missions are carried out by the Commission to verify that aid payments have been used in the correct manner and that there are no problems of eligibility. In 1993, 12 control missions were carried out in 7 member states, certain of them being joint missions with other Commission services or the Court of Auditors. In one case only anomalies were found to exist and the Commission was forced to recover monies paid.

VI.2 Cancellations

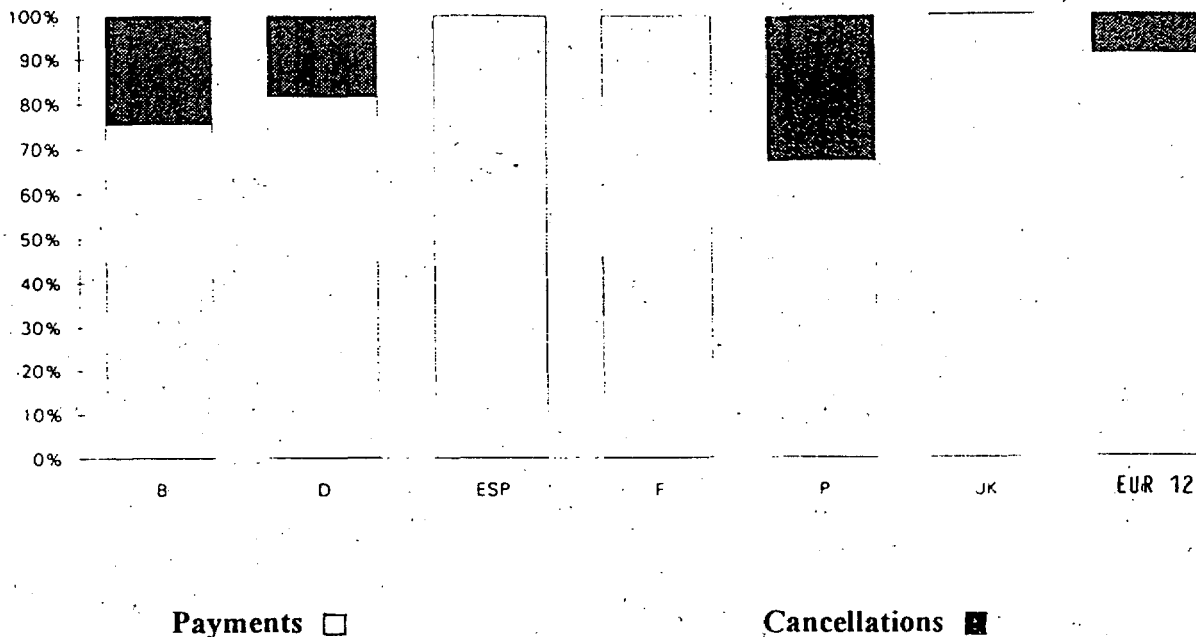
While there is indeed a notable improvement in the rate of payments, nonetheless, the level of cancellations in 1993 remained high. Some 51.2 million ECUs were cancelled under the traditional aid programme and a total of 14.7 million ECUs for the supplementary steel programme. A global assessment has been made of cancellations of aid committed in 1989, the first year of the new harmonised conventions. This indicates that the level of utilisation of commitments stands at 90.7% for the coal sector, but just 76.4% for steel. The tables below show this situation by member state.

Figure 17: Level of utilisation of 1989 commitments for the steel sector



As a % of credits committed by member state

Figure 18: Level of utilisation of 1989 commitments for the coal sector



As a % of credits committed by member state

Given that certain member states may be pinpointed as having registered significant and repeated cancellations, the Commission is tackling this problem largely on a bilateral level with those concerned. Assurances have already been given from some national administrations that greater attention will be paid to this issue in future. It is, however, fair to state that a substantial part of the problem relates to delays in programmes for which, under the strict terms of the bilateral conventions, aid granted had to be cancelled and re-committed. In such cases the national administrations are largely powerless to avoid the necessary cancellations. A solution to this particular problem is being sought between the Commission services. A further reason for cancellations is the establishment of aid applications by member states on the basis of forward estimates of job losses, which inevitably engenders risk. There is, however, a growing trend to present applications for programmes of the previous year, which will increase even more in the light of the earlier deadline for submission of applications as recently introduced by the Commission.

Moreover, within the Commission a tighter scrutiny has been applied, whereby forecasts of the number of beneficiaries presented under an application for aid are being verified more closely before any aid is actually committed.

With this in mind, it is anticipated that in the near future a marked improvement to the level of cancellations may be noted.

VIII. OTHER ACTIVITIES

In addition to the operational running of the Readaptation Aid programme, other activities are carried out which contribute to enhance the policy choices in the framework of this programme. Hence, in the course of 1993, the Commission organised various meetings, conferences and studies and was able to draw on the fruit of these activities. It also took the opportunity to produce a publication.

VIII.1. Committees

VIII.1.1 Joint Committee for the Harmonisation of Working Conditions in the Steel Industry

A joint committee brings together workers and employers of the steel industry to debate issues relating to working conditions. This committee also produces reports on the socio-economic developments in the industry, contributions which are valuable to DGV in its six-monthly employment assessments for the Commission's forward programme for steel. In 1993, the work of this committee, which meets on a bi-annual basis, focused largely on the impact on jobs of the new wave of restructuring required in the steel sector. Other topics discussed included vocational training within the industry, a debate stimulated by a presentation from the Sozialforschungsstelle Dortmund on its recently completed study "Qualified for Quality" which examines the development of training needs in steel. The joint committee also examined the conclusions of a study, which it commissioned in 1992, on the impact of demographic changes in the industry on the training needs of older workers. See section VIII.4.1. for an elaboration of this study.

Following its deliberations on vocational training and demographic changes, the Joint Committee adopted a common declaration. This proposes action, both by the industry and by the Commission, to make greater use of the experience gained by older workers, to develop a process of vocational "education", rather than merely training and to allow for greater flexibility in career development.

VIII.1.2 Joint Committee for the Harmonisation of Working Conditions in the Coal Industry

A joint committee also brings together workers and employers of the coal industry to debate similar issues to the steel committee. In 1993, the work of this committee, which also meets on a bi-annual basis, was centred on the elaboration of a questionnaire for a survey on general working conditions in the coal mining industry.

Moreover, a report was prepared on the social accompanying measures existing in member states for cases of silicosis and pneumoconiosis. The committee also drew up a summary document on the incomes of miners who take early retirement.

This committee is also a valuable source of information to the Commission on general developments in the social situation in the industry.

VIII.1.3 Annual meeting of national administrations

In September 1993, the Commission met with representatives of the national administrations to discuss issues relating to the running of the Readaptation Aid programme. Items of debate included the restructuring in the steel industry and the phasing-in of ECSC measures to the ESF. Delegates were also informed of technical issues surrounding the granting of ECSC aid, such as the deadline for applications and programme implementation reports.

This annual meeting of the member states and the Commission has come to serve as the joint committee for the interpretation of the bilateral convention, as laid down in Article 15.

VIII.2. Conferences

VIII.2.1 Colloquium on the social impact of restructuring in the European Coal Industry

In June 1993, the Commission organised a study day on the social consequences of restructuring in the European Union coal industry. This colloquium brought together representatives from national governments and local authorities, coal producers, trade unions and interest groups. The meeting was largely prompted by a recently completed study on the social impact of restructuring⁹. A general debate was held, focusing on the current social situation in coal regions. This was followed by two round table discussions, one dealing with the value of human resources and the other concentrating on various means for combatting the problems arising from restructuring and the ensuing job losses.

In conclusion, firstly, all participants called for a continued Commission financial participation focused specifically on mining regions to attenuate the social consequences both on miners themselves and their communities. Since this conference, the Commission has adopted proposals for RECHAR II and for an ECSC supplementary coal programme to complement RECHAR.

Moreover, an enhanced cooperation between local, regional, national and Community authorities was deemed necessary, to ensure the most effective concerted action. It was proposed that local consultative committees should be set up to allow for an optimum exchange of information and a more efficient channelling of Community aid. This proposal has been taken up by the Commission in 1994.

⁹ "Les conséquences sociales des restructurations des bassins charbonniers de la Communauté" Entreprise et Personnel 1992.

VIII.3 Publications

VIII.3.1 Practical reference manual on social management of industrial restructuring in the European coal and steel sectors

In 1993, the Commission (DG V/A/4) produced a publication which documents the vast and rich experience gathered over 40 years of industrial restructuring in the European coal and steel sectors. This publication was conceived to serve as a practical reference manual for all those involved in the social aspects of industrial restructuring processes

The essential part of this manual focuses on some 20 models illustrating how the social consequences of industrial restructuring have been dealt with in eight key Community member states. Each detailed description of a particular model is preceded by details on the background to the national industrial and employment contexts against which the programmes were implemented. In addition, the manual provides supporting information on the planning processes necessary to manage the social impact of industrial change, together with an overview of the various actors involved in the personnel planning and establishment of social programmes.

It is considered that the manual will be of use to human resource directors, trade unions, national and local authorities, enterprise agencies and all other organisations responsible in the development of a social component to industrial restructuring plans. It is to be made available to individuals and organisations both in the European Union and in the countries of Central and Eastern Europe.

VIII.4 Studies

VIII.4.1 Study on social dialogue as a contribution to restructuring in the European Union steel industry

In May 1993, during the establishment of a Community action programme to reinforce the competitiveness in the steel industry, the Commission was requested by the then Belgian Presidency of the Industry Council to carry out an examination of the social dialogue in this sector. The Presidency was concerned that, while the social measures were a key element of the Commission's action plan, they were in danger of being regarded exclusively from a quantitative approach. It was necessary to make a qualitative assessment of measures being implemented on the social level, with a view to stimulating innovation in the social negotiations and allowing for an optimum exchange of views between member states.

The Commission contracted the University of Warwick Industrial Relations Research Unit to carry out an initial research project. This study focused on the structures of social dialogue, developments and innovations over recent years and an assessment of the various national approaches to the social problems arising from steel restructuring. The resulting study is valuable in that it provides a comprehensive and in-depth report on the situation in each member state. It is also an up-to-the-minute piece of research, offering highlights of recent developments and innovations in this area.

As to the structures for carrying out social dialogue, the study finds that these differ quite substantially, with varying systems of collective bargaining, employee representation and legislative frameworks. It finds few developments in the structural arrangements for social dialogue. Certain qualitative enhancements were noted and the regional and local dimension appears to be developing in some countries.

As to developments in the outcomes of social dialogue and an assessment of the various national approaches, the study addresses the issues of human resource planning and social accompanying measures. In certain member states there is a trend towards individualised career planning which has helped to ease job transfers and reduce uncertainty. As to measures for employment reductions, early retirement appears to remain the key option favoured by unions and employers alike. Some degree of modified working time has been introduced, with a marginal incidence of job-sharing.

In conclusion, the study finds that the Community has a key role to play in co-ordinating positive responses to restructuring, particularly with, for example, the promotion of infrastructure and diversification of employment at the local level. The Commission intends to review this research project in the light of the recent Commission White Paper on Growth, Competitiveness and Employment and ultimately to distribute the results widely, in order to promote a good exchange of information.

VIII.4.2. Study on the costs of readaptation aid and the participation of the ECSC in these costs

In 1992, the Commission contracted the Belgian Hoger Instituut voor de Arbeid of the Catholic University in Leuven to carry out a study, with the double objective of calculating the gross costs of measures co-financed by ECSC Readaptation Aid and of assessing the level of additionality created by this co-finance.

Using the relevant national social legislation as a starting point, it was possible to quantify all elements of the cost of all types of social measures and their duration. By comparison between the costs of social protection for ECSC workers and the costs of general social protection (ie. the protection guaranteed to all workers) it was possible then to assess the additionality factor. The results of the study show that the social aspects of restructuring entail heavy financial implications, which vary substantially according to the type of measure implemented. In particular, the total costs of early retirement are very high, in view of the long duration and the elements of cost involved. In general, the total costs of other types of measures (training, redeployment etc.) were found to be much lower.

The study quantifies two different approaches to additionality. In the first, the comparison between the costs of sectorial and general protection illustrates that ECSC workers enjoy higher standards of social protection when affected by industrial events than do other workers. The second approach to additionality calculates the cost only of those elements of social protection to which the ECSC contributes, ie. only the elements listed in the bilateral conventions. From these results it can be seen that ECSC contributions can constitute an average of 13% of the costs of the elements to which it contributes (see table in section V.6)

VIII.4.3 Study on the demographic changes both within and outside the steel industry and the impact of these on the training and career needs of older workers.

This study was commissioned by the Joint Committee for Steel. In view of massive recourse to early retirement programmes in the 1980s and parallel low level of recruitment of young people, the internal age pyramid in the industry has been dramatically altered. The study sets out to examine the impact of this phenomenon on older workers, particularly the over 45 year olds.

The study confirms that the majority of workers now fall into the age category of between 30 and 45. As the age pyramid moves forward with time, the over-45s will account for an increasingly large percentage of the workforce. This phenomenon is to be viewed against the background of the reorganisation of recent years in the industry, which has impacted at all levels - on the structure of the company itself, on the structure of working methods and on training. The study examines whether any specific approach had been adopted for the training and career development of older workers and concludes that this was not the case and that rather there was a tendency for this category of workers to be regarded as a potential reserve for reducing manpower.

The study recommends that the steel industry take a fresh look at its human resources strategies to seek a more flexible approach which takes account of the needs of both the company and the individual characteristics of older workers. Such a compromise approach would reflect demographic and economic developments together with the need for a highly qualified workforce, which is backed-up by know-how and transfer of experience and which must operate in a flexible work environment.

VIII.4.4 Studies on restructuring in the coal and steel industries of the new German Länder

In 1991, the Commission launched a series of seven studies concerning the restructuring process in the coal and steel sectors of the new German Länder. The results of this research were presented to a conference of German delegates in October 1992. The studies are briefly summarised as follows.

Two studies focused on ECSC Readaptation Aid in the coal and steel sectors respectively. These examined the effects of German unification on each sector and the national measures implemented to cushion the social impact of restructuring as they were co-financed by the ECSC. They proposed means for an integrated approach to channel national and ECSC efforts in a more concerted effort. Two further studies looked at the steel sector in particular. The first examined the changes in the industry and the ensuing impact on employment and training needs. This gave an overview of the current needs as regards the organisation of labour and the level of qualification of the workforce. It then analysed the approach taken to reduce employment in this sector and made proposals as to how best continue the reductions with consideration to the social implications. The second study concentrated on one specific steelworks, Gröditzter Stahlwerke in the Land of Sachsen. It examined the existing instruments in place to reduce manpower at the undertaking in line with the need to

achieve viability. It went on to discuss the feasibility of improving these arrangements in agreement with workers' representatives.

A further study researched the situation of female employees at the 'Stahl und Walzwerk Brandenburg' (SWB). In 1993, the workforce had fallen from a 1989 level of 9,000 people (of which 3,000 female) to some 3,000 workers, with the female workforce having been particularly hard hit. Using a sample of 176 female ex-workers of this steel plant, the study finds that, while women in general have been more badly affected than their male counterparts, considerable differences are also to be observed between several groups of these women. There is a polarisation in labour market opportunities of, on the one hand, highly qualified women who may occupy relatively secure positions, and, on the other, a large group of poorly educated women, who only may qualify for traditional and badly paid jobs.

Of the remaining studies, one focused on the lignite industry in both the new and the former Länder. This research analysed the future development of the lignite industry in Germany with regard specifically to training needs in the areas of manufacturing, maintenance, research and management. The final study looked at the possibility of extending the Commission's successful social housing programme to the five new Länder (see 1993 Report on the Activities of ECSC Social Housing).

The results of these studies were presented to a conference held in 1992 in Brussels. This conference brought together representatives from the Ministries, the companies and the trade unions of the new German Länder, who welcomed the valuable information contained in this research.

IX. The Future of the ECSC

IX.1 Financial constraints and the future

In 1991, the Commission addressed for the first time the issue of the expiry of the ECSC Treaty in the year 2002. It adopted a decision which provided for the maintenance of the treaty until that date, but which also stipulated that certain financial instruments and social provisions should be transposed into the EEC Treaty. In 1992, the Commission then outlined its priorities for the future financial activities of the ECSC, with an illustrative scenario laying down a possible phasing-out of budgetary expenditure up until 2002¹⁰. On the basis of this Commission communication the Council discussed its approach on the future of the ECSC. At its meeting of November 1992, the Industry Council, with consideration to the economic situation of the two industries, the financial requirements and the social needs, invited the Commission to take several steps, among which to ensure the continued reduction of the levy.

It was against this background that the 1994 ECSC operating budget was drawn up in 1993. Furthermore, while the 1993 budget itself had been endowed with resources totalling 552 million ECU, the outlook for 1994 was bleak with resources of just 393 million ECU. This sharp reduction reflected partly the gradual decline in levy revenue, amounting to just 0.23% of saleable output.

Despite the reduced resources, nonetheless, the Commission with endorsement from the European Parliament¹¹ and the ECSC Consultative Committee¹² accorded a priority to the financing of social measures under Article 56. A total of 283 million ECU were allocated to the three ECSC Readaptation Aid programmes, representing some 70% of the total budget.

IX.2 Phasing-in to the European Social Fund

As with the other programmes financed by the ECSC operational budget, possibilities of phasing in certain ECSC Readaptation Aid elements to the EEC regime are being sought. It is evident that the European Social Fund (ESF) would be able to accommodate, to some extent, certain measures currently financed by the ECSC. The activities deemed potentially eligible for such a transfer are vocational training and also employment support, such as self-employment incentives, which are currently financed under the ECSC redeployment measure. The Commission is accordingly assessing what changes are necessary to the bilateral conventions to effect the phasing-out of certain ECSC elements.

¹⁰ "The future of the ECSC Treaty Financial Activities" SEC(92)1889 of 18.11.92 updated by SEC (93) 1596

¹¹ EP Resolution of 16.12.93

¹² Memorandum on the future of the ECSC Treaty, of 20.11.92

IX.3 Enlargement

It is foreseen that four EFTA countries, Austria, Norway, Sweden and Finland will accede to the ECSC Treaty in 1995. While there is no relevant coal production in these countries, there is a significant combined level of steel production, in the region of 11 million tonnes. As to employment levels, it is estimated that over 40,000 people are active in the steel sector. It has been

judged that restructuring of a similar scale to that currently underway in the European Union could well be necessary in these countries.

All four countries have indicated that they would be willing to pay the levy on production which feeds the ECSC operational budget. As such, the workers of their steel industries who are affected by industrial restructuring may be eligible for ECSC Readaptation Aid. In this respect, it will be necessary to evaluate the social protection schemes available for steelworkers, in order to assess their eligibility under Article 56 (2)(b) of the ECSC Treaty.

X. Conclusions

Once again, in 1993, ECSC Readaptation Aid has played a significant role in the process of social adjustment during industrial restructuring. Both the coal and steel sectors are entrenched in a period of acute difficulties, with extremely heavy job losses underway in each industry. In 1993, the European Union coal workforce was reduced by over 15%, its steel workforce by some 10%. The 1993 Readaptation Aid grants, totalling 292 million ECU, have assisted to cushion the impact of these job losses. They have benefitted over 75,000 people through measures of enhanced social protection and positive labour market policies.

Indeed, in 1993, the range and diversity of the Readaptation Aid programme continued to ensure that the quasi totality of situations in which redundant workers may find themselves are supported by ECSC co-finance. While the majority of workers were assisted with income support, through measures of early retirement and, to a lesser extent, unemployment, in all member states there were also significant active training and redeployment measures to assist workers back into new employment. Moreover, certain innovative measures, such as job-sharing and adaptation of working time were noted in some member states.

The ECSC makes a significant financial contribution to all these measures, a significance which, despite the current ECSC budget difficulties, should remain visible in order to help guarantee the maintenance of such enhanced levels of social protection. Indeed, in the current climate of tight national budgetary constraints, certain member states have lowered the financial burden of these measures to the public purse, with consequent increased costs to producers and, in some cases, to workers too. One member state has even terminated its special scheme for steel workers, citing a declining ECSC contribution to the total costs as a factor in this decision.

1993 was also marked by an increasing rapprochement to consideration of industrial policy guidelines under the ECSC Treaty. Notably, the implementation of the new supplementary measures for steel was strictly geared to the employment reductions resulting from capacity reductions in well-defined areas of production, as called for by the Commission. Moreover, the Commission expressly stated that these measures should help to alleviate the financial burden on the steel producers themselves, further indication of the industrial policy objective behind this social programme.

With the expiry of the ECSC Treaty in 2002, efforts were set in motion, already in 1993, to ensure the progressive transfer of ECSC Readaptation Aid measures to the Structural Funds. These efforts were particularly welcome even at this early stage, in view of the severe budgetary constraints facing the ECSC operational budget. Indeed, these difficulties, the result both of the gradual reduction of the levy and of diminishing revenue from borrowing and lending activity, will only worsen in future years. To alleviate the budget burden, the Commission has ascertained that it will be possible to transfer all vocational training activities and certain external redeployment measures from the ECSC to the ESF as of 1995. This move has taken place in parallel with a shift in the priorities of ECSC budget resources towards the Readaptation Aid programme, which will continue to encompass the other measures such as early retirement and unemployment income support. There has been a

large consensus, at the level of all European Union institutions, to accord such a priority to the financing of this social aid. As such, some 70% of all resources in 1994 will be allocated to Readaptation Aid, compared with levels of around 50% in the past.

It is important that the phasing-in process is not carried out from a purely budgetary consideration, but that qualitative elements are evaluated too. While the current regimes which will accommodate the transfer of the ECSC aid have largely regional and horizontal objectives, it may be opportune nonetheless to assess the possibilities for maintaining the specific sectorial features particular to Readaptation Aid in some way. Indeed, the Community Initiatives explore this direction to a certain extent.

Above all, it is clear that the Readaptation Aid programme has evolved over its forty year existence into an effective and valuable tool. In 1993, its impact may also be viewed against the background of Commission reflections in that year on growth, competitiveness and employment¹³. The Commission White Paper recognises fully the role of measures such as active re-employment geared to market demand and vocational training both as a pro-active labour market policy and as a requirement to meet the demands of new technologies. Moreover, it endorses the notion of solidarity in meeting the burden of social costs, a solidarity which is integral to the ECSC system by means of the levy.

While, in the coming years, Readaptation Aid will be scaled down gradually with the transfer of certain activities into the EEC regime, it will continue to enhance the social protection of new waves of redundant workers in the coal and steel industries until the expiry of the Treaty in 2002.

¹³

Commission White Paper "Growth, Competitiveness, Employment - The challenges and ways forward into the 21st Century", 1993.

ECSC READAPTATION AID - SUPPLEMENTARY STEEL MEASURES AND RECHAR - AID COMMITTED AND NUMBER OF BENEFICIAIRES

	LUXEMBOURG		NETHERLANDS		PORTUGAL		SPAIN		UNITED KINGDOM		TOTAL EEC	
	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers
Suppl. Steel I	1,358,000	3,100	2,418,000	4,500					67,370,000	54,400	212,000,000	127,934
Suppl. Steel II	1,880,000	3,000	580,000	724					7,360,000	4,603	62,500,000	28,158
Suppl. Steel '87	987,750	623	472,500	298	232,000	171	6,426,750	4,054	501,500	500	34,000,000	23,360
Suppl. Steel '88	1,854,750	652	625,250	216	1,273,500	610	12,795,750	4,440	310,250	160	50,000,000	19,549
Suppl. Steel '89	1,050,890	555	473,935	234	1,392,340	756	3,282,450	1,633	760,725	387	25,000,000	14,735
Suppl. Steel '90	1,331,625	513	756,000	252	600,000	200	4,986,000	1,662	1,649,000	614	45,216,070	17,268
Suppl. Steel '91 (1ère tr.)	584,704	569			210,015	193	391,737	360	545,893	637	20,000,000	18,093
Suppl. Steel '91 (2ème tr.)	1,027,296				368,985		688,263		959,107		46,191,600	6,565
Suppl. Steel '93 (1ère tr.)			205,685	80	664,453	283	18,001,559	10,712	1,571,970	517	60,000,000	23,856
Total steel industry	10,075,015	9,012	5,531,370	6,304	4,741,293	2,213	46,572,509	22,861	81,028,445	61,818	554,907,670	279,518
Suppl. Coal '84									23,100,000	12,347	60,000,000	27,092
Total Suppl. programmes for both industries	10,075,015	9,012	5,531,370	6,304	4,741,293	2,213	46,572,509	22,861	104,128,445	74,165	614,907,670	306,610
RECHAR '90					29,800	15	809,777	253	5,518,046	9,634	40,000,000	20,267
RECHAR '91					100,310	40	1,544,000	369	7,495,233	17,791	35,693,258	27,204
RECHAR '92					70,478	30	8,351,942	4,032	16,062,294	23,810	50,000,000	37,957
RECHAR '93					118,667	50	6,841,481	4,167	16,018,387	23,058	50,000,000	36,384
Total RECHAR					319,255	135	17,547,200	8,821	45,093,960	74,293	175,693,258	121,812

ECSC READAPTATION AID - SUPPLEMENTARY STEEL MEASURES AND RECHAR - AID COMMITTED AND NUMBER OF BENEFICIAIRES

	BELGIUM		DENMARK		FRANCE		GERMANY		GREECE		IRELAND		ITALY	
	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers
Suppl. Steel I	22,786,000	6,850	1,638,000	1,284	68,517,000	22,000	29,997,000	20,400					17,916,000	15,400
Suppl. Steel II	4,160,000	1,192	280,000	709	13,170,000	4,648	19,130,000	7,332					15,940,000	5,950
Suppl. Steel '87	1,280,250	832	198,250	125	10,304,250	6,500	10,653,000	8,400					2,943,750	1,857
Suppl. Steel '88	956,250	340			8,662,750	3,826	13,664,000	5,900					9,857,500	3,405
Suppl. Steel '89					5,525,490	2,994	5,398,625	4,460	29,920	16			7,085,625	3,700
Suppl. Steel '90	44,445	279			8,249,000	2,891	18,200,000	7,357					9,400,000	3,500
Suppl. Steel '91 (1ère tr.)							12,760,478	13,576					5,507,173	2,758
Suppl. Steel '91 (2ème tr.)					2,361,000	787	38,020,122	5,778					2,766,827	
Suppl. Steel '93 (1ère tr.)	4,473,842	1,460			3,088,187	1,134	31,994,304	9,670						
Total steel industry	33,700,787	10,953	2,116,250	2,118	119,877,677	44,780	179,817,529	82,873	29,920	16			71,416,875	36,570
Suppl. Coal '84	1,000,000	515			15,400,000	4,480	20,500,000	9,750						
Total Suppl. programmes for both industries	34,700,787	11,468	2,116,250	2,118	135,277,677	49,260	200,317,529	92,623	29,920	16			71,416,875	36,570
RECHAR '90	10,348,429	3,392			7,949,074	2,306	15,344,874	4,667						
RECHAR '91	3,162,330	1,440			9,071,385	3,984	14,320,000	3,580						
RECHAR '92	1,925,980	985			6,997,808	3,900	16,591,498	5,200						
RECHAR '93	1,732,227	479			6,602,477	2,900	18,686,761	5,730						
Total RECHAR	17,168,966	6,296			30,620,744	13,090	64,943,133	19,177						

ECSC READAPTATION AID - TRADITIONAL AID COMMITTED AND NUMBER OF BENEFICIAIRES

	BELGIUM		DENMARK		FRANCE		GERMANY		GREECE		IRELAND		ITALY	
	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers
COAL INDUSTRY	1980	99,250						5,852						
	1981				4,866,250	1,059								
	1982						6,748,500	4,644						
	1983	4,278,250	1,317		436,500	126	9,939,750	8,079						
	1984	515,000			21,129,250	4,510	20,394,000	7,146						
	1985				25,830,500	3,060	43,255,000	10,676						
	1986				17,000,000	5,403	14,105,250	3,779						
	1987				10,118,750		17,461,000	5,143						
	1988	34,223,000	10,470		35,720,000	8,834	22,682,000	6,480						
	1989	4,513,750	1,364		18,617,256	4,195	43,985,702	10,862						
	1990	9,242,322	3,125		14,521,029	3,433	13,031,357	4,856						
	1991	1,650,000	550		22,609,061	3,506	26,731,428	15,193						
	1992	2,382,000	794		6,707,331	2,030	29,718,024	11,351						
1993	1,549,541	554		4,162,358	1,490	13,254,000	4,418							
TOTAL	58,453,113	18,174			181,718,285	37,646	261,306,011	98,479						
IRON & STEEL INDUSTRIES	1980	469,250	610		4,490,250	7,278	2,481,250	3,656			339,000	229	916,250	987
	1981	2,444,250	2,354				16,543,500	10,783						
	1982	1,988,500	1,142		1,986,000	615	9,611,500	8,264						
	1983	3,218,000	1,756				16,054,750	12,769			73,500			
	1984	2,089,250	807	1,857,500	709		15,290,250	9,332					69,500	20
	1985	9,283,000	4,285		46,202,750	17,062	17,219,250	10,490			713,500	156	42,900,250	15,392
	1986	251,500	332		7,455,000		26,152,000	9,133					16,334,500	7,078
	1987	2,882,750	1,716				3,520,000	1,459						187
	1988	831,250	125	44,250	16	29,316,750	28,056	43,231,000	13,162	460,000	357		50,876,250	18,684
	1989	255,677	141			55,934,433	10,336	15,905,081	4,603	24,600	12		10,382,724	4,378
	1990	795,366	297			32,014,715	4,482	14,583,524	5,411				22,996,658	9,172
	1991	1,080,000	360					36,920,611	20,874	86,000	43		41,678,654	13,855
	1992					4,634,693	1,359	32,850,540	18,085	851,888	640		21,309,000	7,103
1993	6,062,381	2,565			6,165,000	2,055	40,811,852	13,981	134,000	67		16,823,013	5,566	
TOTAL	31,651,174	16,490	1,901,750	725	188,199,591	71,243	291,175,108	142,002	1,556,488	1,119	1,126,000	385	224,286,799	82,422
TOTAL ECSC INDUSTRIES	1980	568,500	610		4,490,250	7,278	2,481,250	9,508			339,000	229	916,250	987
	1981	2,444,250	2,354		4,866,250	1,059	16,543,500	10,783						
	1982	1,988,500	1,142		1,986,000	615	16,360,000	12,908						
	1983	7,496,250	3,073		436,500	126	25,994,500	20,848			73,500			
	1984	2,604,250	807	1,857,500	709	21,129,250	4,510	35,684,250	16,478				69,500	20
	1985	9,283,000	4,285		72,033,250	20,122	60,474,250	21,166			713,500	156	42,900,250	15,392
	1986	251,500	332		24,455,000	5,403	40,257,250	12,912					16,334,500	7,078
	1987	2,882,750	1,716		10,118,750		20,981,000	6,602						187
	1988	35,054,250	10,595	44,250	16	65,036,750	36,890	65,913,000	19,642	460,000	357		50,876,250	18,684
	1989	4,769,427	1,505			74,551,689	14,531	59,890,783	15,465	24,600	12		10,382,724	4,378
	1990	10,037,688	3,422			46,535,744	7,915	27,614,881	10,267				22,996,658	9,172
	1991	2,730,000	910			22,609,061	3,506	63,652,039	36,067	86,000	43		41,678,654	13,855
	1992	2,382,000	794			11,342,024	3,389	62,568,564	29,436	851,888	640		21,309,000	7,103
1993	7,611,922	3,119			10,327,358	3,545	54,065,852	18,399	134,000	67		16,823,013	5,566	
TOTAL	90,104,287	34,664	1,901,750	725	369,917,876	108,889	552,481,119	240,481	1,556,488	1,119	1,126,000	385	224,286,799	82,422

ECSC READAPTATION AID - TRADITIONAL AID COMMITTED AND NUMBER OF BENEFICIAIRES

		LUXEMBOURG		NETHERLANDS		PORTUGAL		SPAIN		UNITED KINGDOM		TOTAL EEC		
		Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	Amount made available	Number of workers	
COAL INDUSTRY	1980									8,039,250	2,346	8,138,500	8,198	
	1981									8,986,000	2,426	13,852,250	3,485	
	1982									34,328,500	6,880	41,077,000	11,524	
	1983									28,644,750	5,495	43,299,250	15,017	
	1984									52,998,500	12,673	95,036,750	24,329	
	1985									4,096,500	481	73,182,000	14,217	
	1986									80,907,000	34,371	112,012,250	43,553	
	1987									38,784,750		66,364,500	5,143	
	1988						313,000	123	3,095,000	997	52,380,500	18,496	148,413,500	45,400
	1989						137,400	84	3,458,180	1,203	30,378,611	17,317	101,090,899	35,025
	1990						234,769	135	2,697,500	1,099	45,891,537	24,703	85,618,514	37,351
	1991						210,000	70	3,357,000	1,119	15,385,325	7,548	69,942,814	27,986
	1992						178,296	70	18,378,640	6,136	23,307,816	11,661	80,672,107	32,042
1993						250,052	100	8,452,802	4,518	42,621,000	21,002	70,289,753	32,082	
	TOTAL					1,323,517	582	39,439,122	15,072	466,750,039	165,399	1,008,990,087	335,352	
IRON & STEEL INDUSTRIES	1980	2,859,500	450							48,244,750	20,102	58,884,000	32,325	
	1981	280,750	193	1,750,000	700					88,199,750	29,258	110,134,500	44,275	
	1982									60,337,000	12,102	73,923,000	22,123	
	1983									62,354,500	7,392	81,700,750	21,917	
	1984	9,055,500	6,087	2,156,250	1,084					14,445,000	1,770	44,963,250	19,809	
	1985	4,815,250		1,457,500	874					19,226,500	4,477	141,818,000	52,736	
	1986									9,706,750	2,891	59,899,750	19,434	
	1987			1,132,500	936					8,492,000	2,161	16,027,250	6,459	
	1988	3,326,000	1,100	5,807,250	2,325	2,223,750	849	68,571,000	22,825	7,420,500	1,123	212,108,000	88,622	
	1989			1,453,171	521			5,225,600	1,633	2,783,857	595	91,965,143	22,219	
	1990	8,197,107	3,217	3,045,788	1,338	7,125,819	4,477	4,369,277	1,662	5,253,232	1,606	98,381,486	31,662	
	1991	3,486,000	1,162		933	3,791,636	3,092	4,451,638	1,580	4,641,596	1,675	96,136,135	43,574	
	1992			897,690	257	666,000	222	2,103,000	701	10,810,364	3,606	74,123,175	31,973	
1993	1,158,000	386	3,392,074	2,062	1,137,274	413	31,631,870	14,762	4,776,000	1,592	112,091,464	43,449		
	TOTAL	33,178,107	12,595	21,092,223	11,030	14,944,479	9,053	116,352,385	43,163	346,691,799	90,350	1,272,155,903	480,577	
TOTAL ECSC INDUSTRIES	1980	2,859,500	450							56,284,000	22,448	67,022,500	40,523	
	1981	280,750	193	1,750,000	700					97,185,750	31,684	123,986,750	47,760	
	1982									94,665,500	18,982	115,000,000	33,647	
	1983									90,999,250	12,887	125,000,000	36,934	
	1984	9,055,500	6,087	2,156,250	1,084					67,443,500	14,443	140,000,000	44,138	
	1985	4,815,250		1,457,500	874					23,323,000	4,958	215,000,000	66,953	
	1986									90,613,750	37,262	171,912,000	62,987	
	1987			1,132,500	936					47,276,750	2,161	82,391,750	11,602	
	1988	3,326,000	1,100	5,807,250	2,325	2,536,750	972	71,666,000	23,822	59,801,000	19,619	360,521,500	134,022	
	1989			1,453,171	521	137,400	84	8,685,780	2,836	33,162,468	17,912	193,056,042	57,244	
	1990	8,197,107	3,217	3,045,788	1,338	7,360,588	4,612	7,066,777	2,761	51,144,769	26,309	184,000,000	69,013	
	1991	3,486,000	1,162		933	4,001,636	3,162	7,808,638	2,699	20,026,921	9,223	166,078,949	71,560	
	1992			897,690	257	844,296	292	20,481,640	6,837	34,118,180	15,267	154,795,282	64,015	
1993	1,158,000	386	3,392,074	2,062	1,387,326	513	40,084,672	19,280	47,397,000	22,594	182,381,217	75,531		
	TOTAL	33,178,107	12,595	21,092,223	11,030	16,267,996	9,635	155,791,507	58,235	813,441,838	255,749	2,281,145,990	815,929	

ISSN 0254-1475

COM(94) 247 final

DOCUMENTS

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Catalogue number : CB-CO-94-261-EN-C

ISBN 92-77-70207-9

Office for Official Publications of the European Communities
L-2985 Luxembourg