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**Directorate-General  
Employment, Industrial Relations  
and Social Affairs**

# DEVELOPMENTS AT A GLANCE

- Belgium** The field of application of the Employment Fund efforts for groups at risk has been modified. (p. 14)  
To optimise the reintegration, workers are eligible for an increased career break allowance during the last month of their full career break. (p. 16)
- Germany** With the treaty on the German monetary, economic and social union the basic structures of federal labour and social legislation has been transferred to the GDR on 1.7.90. (p. 1)  
Efforts are made by the vocational guidance service to raise the number of young foreigners going in for in-company training. (p. 9)  
The labour minister has appealed to the social partners to devote more attention to easing the re-entry of women to working life. (p. 15)
- Greece** The duration of unemployment benefit payments has been extended and the protection of dismissed employees of enterprises experiencing difficulties has improved. (p. 8)  
A new law forms a legal basis for part-time work and includes regulations on shift-work, re-arranging working time and working time in shops. (p. 17)
- Spain** Since the second quarter of 1985, the number of jobs has increased by almost 2 million and unemployment has dropped by half a million people. (p. 2)
- France** The 'progress agreement' between the State and ANPE, the first of its kind, is part of the policy for modernising public services. (p. 3)  
The new Employment Plan has two priorities: fighting labour shortages and developing vocational training, especially in small enterprises. (p. 12)
- Ireland** A new Act provides for major reform of industrial relations, trade union law and for the establishment of a new Labour Relations Commission. (p. 18)
- Italy** A new law lays down regulations on exercising the right to strike in essential public services. (p. 19)
- Netherlands** Employment is growing in the Netherlands, but on the other hand there is still a hard core of unemployment and the number of vacancies is increasing. (p. 5)  
The main thrust of the 1991 incomes policy is wage restraint. (p. 7)  
From now on insured workers can apply for a family allowance for their unemployed children living abroad. (p. 8)  
Local authorities and Regional Employment Boards can now make agreements about the establishment of labour pools for long-term unemployed. (p. 13)
- Portugal** The Government programme concerning industrial restructuring is currently applied to basic metallurgical industries. (p. 7)
- United Kingdom** A year's experience with the 'Business Growth Training', the programme to encourage employers for more training of themselves and their staff, has been evaluated. (p. 9)  
The pilot schemes for the Training Credits Initiative have been selected. (p. 11)  
A report produced by the Employment Service shows how leading companies are finding new ways of recruiting unemployed people and retaining them. (p. 20)
- European Community** In July 1990, the Commission approved a draft directive concerning certain aspects of managing working time. (p. 18)  
The European Parliament adopted the (Salisch) Initiative Report on atypical work. (p. 21)

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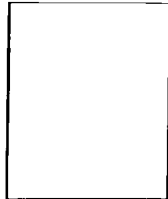
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# OVERALL DEVELOPMENTS

## Germany

### Aspects of the German social union

On 18.5.90 a state treaty on monetary, economic and social union was signed between the Federal Republic of Germany and the then German Democratic Republic (GDR). It provided, among other matters, for transferring the basic structures of the federal labour law and social law to the GDR on 1.7.90. This article presents aspects of employment promotion. The unification treaty between the Federal Republic and the GDR, signed on 31.8.90, enlarged the Federal Republic by five additional federal states (*Länder*). The unification process was completed on 3.10.90.

The transition from 40 years of socialist planned economy to a free market economy could, particularly in the early stage, lead to considerable strain on the labour market in the former GDR. Therefore the well-established regulations of the Labour Promotion Act (*AFG*) were -with requisite adaptations- already being applied before 3.10.90.

### Vocational training

Further vocational training is essential if unemployment is to be contained and vanquished. To make full use of it, such training needs to be fostered above all in companies. Job-holders undergoing training are granted a subsistence allowance even if they are not 'directly' threatened by unemployment, i.e. if notice of termination of the contract has not yet been given.

As it will take some time to set up training bodies, measures carried out in the original 11 *Länder* will also qualify for promotion (until 31.12.91).

In order to take account of the idiosyncracies of the educational system in the former GDR, *AFG* support for further training schemes is also possible, if they are provided by universities, specialised colleges of higher-secondary education (*Fachhochschule*) or similar educational institutions.

### Short-time allowances

To avoid large-scale redundancies, the conditions for receiving short-time allowances will be eased (cfr. BIR FR Germany ii.1). The regulations are subject to a transitional period until 30.6.91, which might be prolonged by the legislator until 31.12.91.

The regulations of the state treaty lay down that:

- short-time allowances are paid in cases of loss of working hours due to corporate restructuring connected with the advent of the monetary, economic and social union;
- during the transitional period no proof is required that the loss of working hours is temporary in nature;
- the employees who would normally have been made redundant may be concentrated in special corporate units (*'Parken'*).

In these cases, the short-time workers' contributions to health and pension insurance are not charged to the employers.

### Job creation measures (ABM)

The opportunities of public law bodies to make use of job creation measures (*ABM*) are being further extended; subsidies can amount to 100% of the remuneration (cfr. BIR FR Germany v.1).

### Unemployment benefit

Since the establishment of the German unity, unemployment benefit is in principle granted under standard conditions in all parts of Germany. The rate of wage compensation is the same as in the original Federal Republic: unemployed persons with children receive 68% of the last net earnings, the unemployed without children receive 63% (cfr. BIR FR Germany Chap.II-4a and iM 31).

Special regulations ensure that the particularities in the new federal states of the Federal Republic are taken into account for a transitional period. This includes in particular:

- a supplementary 'social' payment (*Sozialzuschlag*) to unemployed persons whose unemployment benefit is less than DM 115 per week;
- a transitional old-age/retirement benefit (*Altersübergangsgeld*) for a period of 3 years to employees of the age of 57 or older who become unemployed (for women until 31.12.90: 55 or older for a period of 5 years), in order to secure the transition to retirement pension. In principle it amounts to 65% of the last net (flated) earnings. If the claim arises before the end of 1991, it amounts to 70%.

### Integration benefit discontinued

Because of the freedom of movement on the labour market the special integration schemes for *Übersiedler* from the GDR to the Federal Republic, as applied before the establishment of

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the German unity on 3.10.90, lost their justification. Therefore the integration benefit for that group was abolished in the summer of 1990. Instead, employees who moved from the

GDR to the Federal Republic have been included in the benefit system provided by the *AFG* (cfr. iM 30).

## Spain

### The labour market to mid-1990

According to the Labour Force Survey data for the second quarter of 1990, the number of gainfully employed amounted to 12,556,500 persons, a level not achieved since 1976. 362,100 new jobs had in fact been created during the preceding year (between the second quarter of 1989 and the second quarter of 1990). This was a 3% increase of the number of gainfully employed over the second quarter of 1989.

On the other hand, 245,200 persons joined the labour market (+1.7%), raising the labour force to 14,994,700. This rise in the labour force and employment was coupled with a decrease in unemployment, which dropped by 116,900 (-4.6%) over the preceding year, to amount to 2,438,200 persons. In consequence, the activity rate in the second quarter of 1990 rose to 49.3% and in the same period the unemployment rate dropped to 16.3%.

The significant increase in employment and decrease in unemployment confirm the trend of the last three years: since the second quarter of 1985, when the process of employment recovery started, the number of jobs has increased by almost 2 million (1,950,900) and unemployment has dropped by half a million people. All this took place at the same time as the labour force was growing strongly by almost one and a half million (1,445,000) over these five years.

### GDP developments

This expansion of the labour market in general and of employment in particular is a direct consequence of the active employment promotion policies developed by the Government since 1984, and of the growth achieved by the Spanish economy. Between 1987 and 1989 the Gross Domestic Product increased by about 5% per annum; this means that growth has been considerably higher than the average growth rate of the European Community and of the OECD and that it has enabled the threshold of GDP growth which is needed for the Spanish economy to achieve rising employment to be lowered. Thus, while in 1984 a 4.5% growth rate was necessary to create a net increase in jobs, from 1986 this threshold was 1% and in 1989 dropped even further (0.9%).

### Sectoral changes

As regards the sectors of economic activity, the employment level rose in all non-agricultural sectors: by 468,400 more jobs (+4.4%). It dropped in agriculture by 106,300 persons (-6.6%). The annual growth, in absolute figures, stands out in the service sector with 247,500 additional jobs and, in relative figures, in the building industry: 10.5%. Nevertheless, in spite of the sectoral growth in employment, unemployment has risen noticeably in all sectors except in agriculture and in the group of non-classifiable persons, where it dropped by 180,900 persons (-14.4%).

### Changes by gender

Of the 362,100 new jobs registered between the second quarter 1989 and 1990, 188,100 jobs were taken by women and 174,000 by men. Even though, given that the female labour force also increased in a higher proportion than that of men, the drop in unemployment benefited men more than women.

### Changes by age category

As regards age categories, there has been a significant increase in the employment level and activity of adults. The number of employed adults rose by 331,000 (+4.0%) in the second quarter of 1990 over the second quarter of 1989 while the labour force grew by 324,300 (+3.4%). At the same time the drop in unemployment has been more striking among young people, where the level of unemployment dropped by 91,400 during the year under consideration (-8.7%).

### Changes by professional status

As regards the professional status of the gainfully employed, there has been a considerable increase in persons in dependent employment over the last year. Their number rose by 427,500 persons (+4.9), while the non-salaried population declined by 65,400 persons (-1.9%).

### Unemployment

The numbers of unemployed registered at the employment offices of the National Institute of Employment (*INEM*) show that from January 1988, the month with the highest level of registered unemployment (3,069,008), until August 1990 (the latest data available), the numbers of unemployed persons dropped by 795,253 (-25.9%), i.e. by a little more than a quarter.

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The numbers of registered placements at the employment offices rose to 3,275,892 during the first eight months of 1990, an increase of 25.2% compared with the same period in 1989. Of these jobs 1,506,491 (or 41,4%) concerned contracts in connection with employment promotion measures.

The favourable labour market development,

reflected by the data of registered unemployment and placements, corresponds with the development shown by the Labour Force Survey. The development is the result of the dynamic process which has sustained the Spanish economy during the period under review, as well as of the government's active policy to encourage employment and vocational training.

## France

### 'Progress agreement' between the State and ANPE 1990-1993

The 'progress agreement' (*Contrat de progrès*) between the State and the National Employment Agency (*ANPE*) is a part of the Government's policy for modernising public services. This is the first time that such an agreement has been concluded between the State and a public establishment.

Under the terms of the contract, the Agency is committed to developing its internal organisation and to reaching clearly defined objectives for supporting enterprises and persons facing employment difficulties. The State is committed to providing the Agency with the requisite resources for strengthening its activities for achieving the objectives of the 'progress agreement' and according to their implementation.

The commitments of both parties should enable *ANPE* to start a new stage in its modernisation which has been under way for a few years. Furthermore, this contract demonstrates the will to strengthen the responsibility of Agency's management and to this end to enhance the smooth running of its managing board and of its regional committees. The 'progress contract' has been concluded for the period between July 1990 and December 1993.

To implement the contract an internal development plan will be drawn up by the top management of the Agency and submitted to the Managing Board, which will monitor activities and propose the requisite adjustments during this period. In each region the implementation of this plan will be examined by the regional committee of the Agency.

#### Main thrusts of the 'progress contract'

##### 1. *ANPE* actions towards the enterprises.

Between 1990 and 1993:

- the rate of registered vacancies filled by the Agency and the time taken to find

- appropriate applicants will be improved;
- the number of job vacancies registered by the Agency will be required to increase more rapidly than the number of hirings by enterprises;
- the Agency will pay special attention to sectors and enterprises facing recruitment problems through a special programme which will be implemented in each region.

For achieving these objectives, the time spent on handling job vacancies and keeping in touch with enterprises will be equal to at least 35% of the overall operating time of the network.

The State will provide backing for these efforts by providing the Agency with the requisite resources to enhance job-seekers' adaptation to the jobs available (upgrading traineeships, occupational redeployment, training linked to the 'return to work contract', etc.).

##### 2. *ANPE* actions for persons looking for a job, training or vocational guidance:

- the local employment agencies will be reorganised and their lay-out adapted to enable there to be access to more personalised services without having to make an appointment in advance to meet the appropriate officer; for this purpose before 1993 each office will be provided with equipment (phone, typewriter, minitel screen display, etc.) which can be used free of charge;
- the Agency will strengthen its support for those who are likely to fully benefit from vocational training or assessment carried out through vocational advice services and aids to appraisal, guidance or job-seeking;
- the Agency will re-examine the situation of persons once they have been unemployed for 90 days without having been offered employment or training;
- specific actions will be taken for persons facing lasting difficulties for returning to

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work, in particular:

- those who have not had any *ANPE* support for 6 months;
- those who have been repeatedly unsuccessful in applying for a job;
- those whose period of joblessness or whose social situation is of great concern (the long-term unemployed, recipients of minimum integration income - *RMI*).

The *ANPE* must give greater priority to these groups than their numbers would suggest compared with total job-seekers.

### 3. Modernising the *ANPE* network and its internal management.

In order to reach the objectives of the *contrat de progrès*, the work of the Agency needs to be reorganised. In particular:

- in the medium-sized and large units, small teams will be responsible for a portfolio of clients (job-seekers and enterprises) grouped in occupational categories. The job-seekers and enterprises will thus be able to contact accountable full-time officers;
- when several units are operating in a same employment catchment area, they will develop a coordinated policy (unit working times, links with the occupational groupings, planning joint services, use of programme resources, agreements with the partners, etc.). The units jointly manage the premises for common services if this seems useful. The lay-out of the units will therefore have to be adapted;
- in order to increase the number of contact points with clients, the Agency will propose to *communes* with more than 2,000 inhabitants where it does not already have an office, as well as to recognised vocational training centers and to 'local missions' for integrating young people to become parties to an agreement which provides for:
  - training and basic professional documentation for the staff in contact with the clients, i.e. job-seekers in enterprises;
  - access to the available job-vacancies, information on services offered and training possibilities by means of *ANPE*'s computerised system;
- the information systems will be modernised within the scope of a master plan which will be adopted at the end of 1990;
- the Agency will carry through a programme to upgrade the premises, equipment and furniture which will enable more than a third of the offices and installations to be renovated or rehoused;

- the skills and the readiness of the teams will be enhanced;
- finally, the Agency has to draw up a blueprint for reorganising its structures in order to enhance the coherence of the regional team so as to underpin the efforts of the units in each employment catchment area by limiting the number of hierarchical levels to three.

### 4. State support to *ANPE*'s modernisation efforts.

The following guidelines will be taken into account when defining the State's support for modernisation, in particular to decide on the grant by the State to the Agency:

- 900 new permanent staff members will be taken on by the Agency in the years 1990-1992: counsellors, principal counsellors and administrators. Thus will the Agency's resources be adapted to the tasks attributed by to its permanent missions assigned by the law. A special effort will be made for overseas departments;
- in order not to affect the provision of the Agency's basic services the State authorises the Agency to detach officers for special programmes where its competences are needed. The officers concerned will be replaced by recruiting statutory officers.

This will concern in particular:

- participating in local units for integrating young people (one full-time equivalent per mission);
- supporting the occupational integration of *RMI* recipients;
- supporting the programme of the individualised training credit;
- helping in the redeployment of workers in a conversion agreement;
- supporting new qualifications programmes;
- participating in inter-institutional centres of skills appraisal;
- to improve the physical conditions for receiving job-seekers, the State is earmarking between 1990 and 1993 FFR 254 million for programme authorisation and FFR 144 million for payment credits;
- the State will provide the Agency with resources for financing services for clients (enterprises and job-seekers), for developing the corresponding tools and for contacting clients;
- the action instruments directly contributing to the task of placement are being given to the Agency ('return to work contracts', upgrading traineeships, occupational redeployment).



## The main indicators for evaluating the 'progress contract'

### 1. The evaluation of the contract.

Evaluation will focus in particular on the development of the economic environment and its consequences on the labour market, the development of the tasks given to the Agency, the results obtained concerning the services to clients, the organisation of the network, progress towards decentralisation and management control, the assessment of the resources granted to *ANPE* by the State in relation to those envisaged and the development of the conditions for the State supervision of *ANPE*.

A technical commission set up by the two parties will be entrusted with collecting the data needed for following-up the contract. A committee will be established to evaluate the development of the contract and the results obtained and to make recommendations for the future. The Managing Board will give its opinion on the membership and mandate of the committee. The work of the technical commission and of the committee will be presented to the Managing Board and to the State. The follow-up of the operation will be based on a limited number of indicators of impacts and results.

# Netherlands

## The labour market in 1990

In 1990 the number of persons employed in the Netherlands is expected to increase by 115,000. Compared with other countries, employment is still growing spectacularly. This growth has, however, a reverse side. The number of vacancies in the Netherlands has increased faster than elsewhere. It is more and more difficult to match demand and supply of labour.

Most new jobs are taken by newcomers on the labour market: school-leavers and women re-entering the labour market (65,000). Registered unemployment is dropping in 1990 by some 40,000 to an average of 350,000. A striking feature is that, over the last two years, men's short-term unemployment has dropped twice as fast as women's. Long-term unemployment of men and women is decreasing at the same rate. There is still a hard core of unemployed persons for whom employment cannot be found. On the other hand, the number of vacancies that are difficult to fill is growing.

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### 2. Six strategic indicators.

Concerning services to persons looking for a job, training or vocational advice:

- duration of registration and entitlement of clients;
- proportion of clients who reach their 6th and 13th month of unemployment without being offered a job or training;
- proportion of LTU job-seekers and *RMI* recipients taking part in the *ANPE*'s services.

Concerning services to enterprises:

- the rate of vacancies filled;
- the time taken to fill vacancies;
- development of the number of registered job offers in each category in relation to the number of recruitments (matching rate).

### 3. Opinion surveys.

Opinion surveys will be carried out regularly at national and regional levels:

- on the quality of receiving job-seekers and the appraisal of services to them;
- on the quality of the relationships with and the appraisal of the services to enterprises.

### 4. A regular follow-up.

The proportion of local agencies which apply the organisational principles decided upon will be regularly monitored.

## Employment Service

Over and above economic growth, an 'active' labour market policy is a precondition for both reducing the high number of vacancies and tackling the remaining hard core unemployment. In this respect the minister of labour has high expectations of the new Employment Service under joint responsibility of the authorities, employers and employees. The instruments for combating unemployment (training, work experience and placement) have now been developed.

## Growth of employment

As from 1985, numbers employed have increased by almost 550,000. This means that over 100,000 persons have found a job each year. Most growth has been taking place in trade and business services. The number of part-time jobs is still rising faster than that of full-time jobs. However, the proportion of part-time to full-time jobs has become more stable. In 1989-90 some 40% of new jobs were full-time. In 1986-88 this was 25%. Apparently steady economic growth has meant that enterprises and institutions are confident

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about developments so that full-time jobs are being offered.

### Women

The growth of employment appears to be favourable for women. Their employment is increasing nearly twice as fast as average. This does not only concern small part-time jobs: the increase is spread evenly over jobs of less and jobs of more than 20 hours. The breakdown of jobs according to working time has hardly changed. Of employed women 32% is working less than 20 hours a week (men: 8%). Some 50% of women work over 30 hours a week (men: 89%). Many women work in clerical and service positions. In particular they are still under-represented in higher, policy-making and managerial positions.

### Youth

The young are also benefiting from employment growth. The number of jobs suitable for school-leavers is growing and since 1988 it exceeds that of school-leavers. Young people increasingly work in small part-time jobs. The registered youth unemployment rate is still declining and now stands at 7.3%. Although more than the average, this is due to the volume of short-term unemployment by school-leavers.

### Ethnic minorities

The position of ethnic minorities on the labour market is very unfavourable, in particular that of Turks and Moroccans. Their unemployment rate is 37%. The ethnic minorities do not benefit sufficiently from growing employment. This is, among other things, caused by their rapidly growing numbers on the labour market. Whereas the number of persons from ethnic minorities in employment increased by nearly 7% between 1988 and 1989, their numbers on the labour market increased by 8%. The growing need for higher skilled staff is particularly unfavourable for this group. In general they are unskilled: two or even three times the rate of Dutch nationals. An active labour market policy must change this situation. However, participation of ethnic minorities in training and work-experience programmes still lags behind the average.

### Vacancies

The rising number of vacancies reflects the growing difficulty of matching demand and supply on the labour market. Since the second quarter of 1989, both the number of vacancies registered by the employment offices and that of vacancies which remain unfilled for more than three months seems to be increasing. At the end of 1989 long-term vacancies accounted for 37.9% of all vacancies. In the spring of 1990 the total number of vacancies rose sharply. In 1989 there

were 731,000 new vacancies, while 708,000 were filled. In the first quarter of 1990 some 193,000 vacancies occurred (7% more than in the first quarter of 1989), while 153,000 were filled (almost 5% less than in the first quarter of 1989).

### International

From an international viewpoint, the Netherlands is reasonably well placed as regards costs and quality of labour. Wage restraint in the 1980s has improved its competitive position. Women's employment is lagging behind that of the average in the European Community. It is notable that the Netherlands has the highest rate of unemployed women who want to return to working life: 58% of unemployed women as against 28% for the whole EC.

### Labour market policy

In 1990 the active labour market policy still fell within the ambit of the government. As from 1991 the authorities, employers' and employees' organisation will jointly determine the labour market policy through the boards of the new Employment Service. Shifts in labour market policy over recent years have reflected shifts in unemployment.

During the period to 1985 of sharply rising unemployment, the government created jobs in the public sector by using the Employment Creation Scheme (*WVM*) (cfr. BIR Netherlands v.1). When it was seen that the flow from these *WVM*-places to stable employment was very limited, this policy was abandoned. Training became the new motto, focusing on vocational training (the apprenticeship system) and support for job-seekers who wanted, often on their own initiative, to receive further training (Framework Regulation for Training - *KRS*, cfr. BIR Netherlands iv.2). Training alone, however, is insufficient for reducing long-term unemployment.

Wage cost subsidies are the new weapon. Work-experience places (labour pools - cfr. article in this issue) and employment guarantees for young persons (*JWG*) are aimed at drastically reducing unemployment. The new differ from the old measures for employment creation in having a more distinct place in routing the difficult-to-place unemployed: from unemployment, sometimes through training, often with subsidies, to a regular job.

## Netherlands

### Incomes policy 1991

The main thrust of the 1991 incomes policy is wage restraint. This is a prerequisite for further employment growth. Moreover, wage restraint enables the linking of wages and allowances, which was restored in 1990, to be maintained.

To this end the Minister of Social Affairs and Employment wants to discuss the desirability of wage restraint with the social partners. His demand in the discussion will be that wage increases in 1991 will not exceed those of 1990. Such restraint is also desirable considering the uncertainties as regards the development of the world economy as a result of the Gulf crisis.

Finances have been earmarked for a 3% increase of the statutory minimum wage and social security benefits. This is also the maximum rate advocated by the Cabinet for wages in the market sector.

#### Thrusts of income policy

The minister considers that wage restraint is still indispensable for the further growth of employment. In the first instance, the social partners bear responsibility for wage levels. The Cabinet supports restraint in wage increases to prevent increasing the burden of social contributions.

Moreover, the minister considers that it is important for agreements to be made with employers and employees to allocate a part of wage cost increases to the training and placement of the difficult-to-place unemployed.

In the Joint Policy Framework it was agreed that the social partners would both strive for controlling wage costs as well as using the resulting savings for combating unemployment.

Furthermore the incomes policy is aimed at the equal distribution of wealth. To this end the Cabinet has, among other things, restored the

link of social benefits and the statutory minimum wage to wages in the market sector. Striving for an equitable development of incomes does not entail striving for increasing or reducing income differentials. In particular persons with incomes on the minimum level will benefit from restoring the link and from the increase of family allowances. However, to enable people with low incomes to catch up, the minister wants to give those who are available for the labour market but still do not have a job better opportunities to earn a wage. 'Social innovation' and an 'active labour market policy' are pre-eminently aimed at this objective.

#### Single persons, sole wage-earners and earning couples

Most single persons have not seen their purchasing power reduced because of tax reform. According to the minister, their income position is relatively positive, also if compared internationally. The Cabinet has decided to prevent any drop in purchasing power of single persons receiving the statutory minimum wage. However, the purchasing power of single persons with an allowance above the minimum level will drop slightly in 1991. The relationship between incomes of single persons and of sole wage-earners and earning couples has hardly changed. In general, single persons are better off than sole wage-earners, but earning couples without children are still in the best position.

#### Difference between wages and allowances

Persons receiving allowances are more likely to be prepared to accept a paid job if this increases their income. Most adults who draw an allowance and are available for the labour market have received little training and have not had much work experience. Often their starting salary will therefore be hardly any higher than the gross minimum wage. It is likely that the success of an 'active' labour market policy will be enhanced as persons drawing an allowance can improve their income position by joining the labour market.

## Portugal

### New sectoral restructuring

The establishment of the Single Market after 1992 means that industrial restructuring is indispensable. In the light of this need and as a part of the Government programme, industrial

sectors subsumed under basic metallurgical activities (casting ferrous and non-ferrous ores) were declared to be 'under restructuring' by the terms of ministerial decree n<sup>o</sup> 610/90 of 1.08.90 (for other sectors cfr. iM 24).

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The objective of reshaping these sectors is to strengthen its competitiveness by modernising its production, commercial and managerial structures. Given the interrelationships between the industries in question, a tripartite commission has been set up consisting of representatives from employers' organisations, trade unions and public administration. Its mission is to help the body responsible for implementing the restructuring - *IAPMEI*, the Institute for the Support of Small and Medium-sized Enterprises and for Investments.

The contribution of the Ministry of Employment and Social Security is to carry through social measures, being essential:

- to create and activate employment programmes to satisfy collective needs, for

workers to be laid off permanently or temporarily, to help create new jobs, foster work mobility, and establish wage compensation and special help for the support of family incomes;

- to monitor the agreements between employers and workers aimed at the proper breakdown of workloads and intersectoral mobility in line with the objectives of corporate restructuring, the ultimate objective being to avoid job losses;
- to stimulate early retirement schemes or regulated measures for workers from foundries which are undergoing restructuring;
- to give priority to assisting employment creation in companies in the foundry sector where job losses have been confirmed.

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## AID TO THE UNEMPLOYED

### Greece

#### Law 1892/90: unemployment benefit and employee protection

##### Duration of unemployment benefit extended (Article 37)

Law 1892 of 31.7.90 has extended the duration of unemployment benefit by one month for all cases stated in par. 1 and 2 of art. 6 of Law 1545 of 1985. For 220 and 250 days worked the unemployment benefit is paid for 10 and 12 months respectively. The duration has also been extended by 12 months for the unemployed over 49 years and for persons who are subject to article 6 of Law 1545 of 1985 and who have worked for a total of 4,050 days.

#### Employee protection in enterprises experiencing difficulties (Article 33)

From the moment that the working relations between employees and enterprises experiencing difficulties are terminated the employees can choose, irrespective of their severance payment, between:

- unemployment benefit paid by the National Manpower Employment Organisation (*OAED*);
- integration into a vocational training programme of the *OAED*;
- self-employment.

### Netherlands

#### Family allowance for unemployed children abroad

As from 1.10.90 persons who are insured under the General Family Allowances Act can apply for a family allowance for their unemployed child living abroad.

Normally, entitlement to family allowance for unemployed children between 16 and 21 years of age exists if the child is registered with an employment office in the Netherlands. For

unemployed school-leavers between 18 and 21 years of age the entitlement to family allowance exists in the two quarters following the quarter in which studies were concluded.

The European Commission has pointed out to the Netherlands that children of migrant workers are, if they live abroad, being aggrieved by the requirement that they have to be registered with the employment office. Though they could be registered, it cannot be expected that they keep themselves available for the Dutch labour

market. In the meantime the European Court of Justice has pronounced judgement in a similar case with regard to German legislation.

On the basis of this judgement the Minister of Social Affairs and Employment has decided that entitlement to family allowance can apply if a child is registered with an employment office in other Member States of the European Community or in a country with which a treaty covering social security has been concluded. These countries are: Israel, Turkey, Sweden and

Switzerland. New treaties with Canada, Norway and the United States will shortly come into effect.

If a child cannot be registered with an employment office, because such a service does not exist in the country concerned, it has to be made plausible that he/she is unemployed and is available for the labour market. Furthermore, as in the Netherlands, the child must not draw unemployment benefit.

## TRAINING

### Germany

#### Young foreigners underrepresented in training

Despite higher school qualifications and a more favourable supply of apprenticeship places, the number of young foreigners going in for in-company training remains insufficient. Although the absolute number of training contracts concluded by this group has risen by some 40% since 1985 (from 51,000 to 73,000), the training rate among the 15 to 18 years old foreigners is only 30%. For that reason the Executive Board of the Federal Employment Service (*BA*) has been discussing the measures for guiding young foreigners.

The Executive Board stressed the particular necessity for vocationally integrating young foreigners. All measures and activities should aim at providing more young foreigners with high quality vocational training to improve their chances on the labour market, as the skill requirements of jobs increase.

The Executive Board explicitly welcomes the efforts of the vocational guidance services for an increased participation of young foreigners in

vocational training. The measures financed by the *BA* for vocational preparation and for ensuring successful outcomes of training is considered to be a considerable help for this group (cfr. BIR FR Germany vi.2).

The vocational guidance service tries especially to narrow information gaps of the young foreigners and their parents concerning the vocational training system and the training opportunities by providing leaflets and using audio-visual media especially designed for foreigners. This approach also takes account of the social environment of the young foreigners.

Those in charge of foreign workers at the vocational guidance service of the employment offices are intensifying their cooperation with foreigners' associations, trade unions' advisory bureaus for foreign workers and young persons, enterprises' organisations and institutions for youth and social work. In 1989 about 136,000 young foreigners made use of vocational guidance which represents a 50% increase over 1986 (about 92,000).

### United Kingdom

#### Making training a key factor in business performance

The concept of Business Growth Training (BGT) has been developed in an environment where not enough employers have seen training as a

strategic investment. The changes in the UK labour market which are being witnessed as the economy moves through rapid growth towards the challenge of the European Single Market are evident in the creation of new jobs, growing skill needs and major demographic changes. All this is

## TRAINING

occurring at a time when companies are facing increasing competition at home and abroad in terms of cost, quality and delivery. To compete successfully many companies are having to adapt rapidly to changes in technology and markets. In this environment the ability to develop a skilled, motivated and versatile workforce (from top management downwards) is a key factor which can determine whether companies thrive or survive.

Against this background, the Secretary of State for Employment announced in April 1989 'Business Growth Training', a programme to encourage employers to place the training of themselves and their staff at the centre of the development of their business strategy (cfr. iM 27).

### **Objectives of the programme**

The primary objective of BGT is to help companies improve their capability to invest effectively in developing the skills of their workforce. BGT provides over 100,000 training and development opportunities per year. BGT comprises five options each of which can be tailored to the needs of particular business situations. These options are:

#### **Option 1 -**

##### **Kits for better business and training plans**

Many smaller businesses do not have a structured business plan. Most smaller businesses do not have any sort of plan which covers training. Option 1 provides owners of small businesses with 'Your Business Success' planning kits and expert back-up to produce better business plans which also identify training needs. Linking business and training plans in this way provides a service which is not widely available at present. Over 20,000 of these kits were used by small firms during the first year of BGT.

#### **Option 2 -**

##### **Better business skills for owner-managers**

In small firms the key to business success usually lies in the business skills of the owner. Better business skills lead directly to better business performance. Option 2 provides a range of services designed to help initial business start-up, improve the business skills of busy owner-managers or help more ambitious owner-managers with ambitions for growth. Over 60,000 of these opportunities were taken up during the first year.

#### **Option 3 -**

##### **Using consultants to manage change**

When businesses have grown to the size where they need a management team they face problems about how to manage change and

growth. Option 3 provides consultancy help to enable small to medium-sized firms to train and develop management teams to manage change and improve their business performance. Enhanced funding is given to firms in inner-city areas or those with multi-racial workforces to improve equal opportunities. Over 1500 of these projects were started during the first year.

#### **Option 4 -**

##### **Tackling skill needs jointly with other companies**

As the economy expands and changes, key skills needs can hold back the growth of individual businesses. Tackling this alone is not always the best solution. In many cases it makes sense for companies to cooperate with others on a sectoral or local basis to secure a better supply of key skills. Option 4 caters for this need by providing partnership frameworks to assist companies which want to pool their efforts in this way. Over 300 feasibility studies or projects were started in the first year.

#### **Option 5 -**

##### **Implementing your own innovative training solution**

Training is now a business in its own right. New techniques and technologies are emerging all the time. In recent years great advances have been made in developing and using open and flexible learning. It is vital to identify the most effective ways in which these innovative approaches to training can be harnessed and applied so as to improve the performance of more businesses. Option 5 provides support for selected companies to develop their own innovative training solutions which lead to clear business benefits and publicise the new techniques to encourage others to do likewise. Over 100 such projects were started in the first year.

### **Evaluation of BGT**

Evaluation of BGT has indicated the success of the programme so far and business benefits that have been achieved by companies from investing in the training.

*Option 1* was piloted by 27 local delivery agents in late 1988. The subsequent evaluation exercise showed that the kits had been extremely well received; for they were regarded as well written, and easily 'accessible' by participants. The delivery by using local agents was regarded as innovative.

*Option 2* has been evaluated in parts so far. The results indicated a high customer satisfaction and helped accelerate the establishment of business by participants.

An evaluation of *option 3* was undertaken to

assess its impact on those companies which participated in the earlier phased introduction of the programme. This involved just over 100 companies. The evaluation revealed that attitudes towards training and staff development in the companies had already begun to change. This is evident from the number of companies which have appointed training officers, established training centres, and provided training budgets, and the number which said they intend to retain their lead consultant to carry out further training and staff development activities once their project is completed. The vast majority of companies reported that their projects had already led to positive cultural and structural changes in their organisation, and many reported significant improvements in business performance even before their project was completed.

Evaluation of *option 4* so far has focused on how the option is delivered by the Training Agency. More detailed field work, looking at individual

projects, is currently taking place.

With regard to *option 5*, an evaluation of the 1988/1989 development projects looked at the business outputs and compared the extent of the innovative training in the pilot companies with other comparable organisations. All of the 'Option 5 companies' expressed satisfaction with the results of their projects and intended to complete the associated training.

With the arrival in 1990 of Training and Enterprise Councils, and, in Scotland, Local Enterprise Companies (TECs and LECs) employers themselves are now at the heart of decisions on training needs of the workforce in their local areas. TECs and LECs are able to propose activities that are best suited to their areas. They are developing their own portfolios of activities to encourage employers to plan and invest in training. These portfolios include the existing Options (possibly modified to meet local needs) or new initiatives.

## United Kingdom

### Training credits for young people

Following proposals for training credits put forward by the Confederation of British Industry in their report 'Towards a Skills Revolution' there has been a high level of public interest in the idea of training credits. In response the Secretary of State for Employment announced in March 1990 that, following consultation with the Secretary of State for Education and Science and other ministerial colleagues, he would introduce the Training Credits Initiative (cfr. iM 31).

Training credits represent an entitlement to train to approved standards for young people leaving full-time education for the labour market. The credit enables them to secure approved training from an employer or specialist training provider.

#### Selection of pilot schemes

Following the issue of a prospectus by the Secretary of State, Training and Enterprise Councils (TECs) and Local Enterprise Companies (LECs) were invited to submit proposals for local pilot credit schemes. The intention was that there would be about 10 pilot schemes covering approximately 45,000 school-leavers per year.

On 30.8.90 the Secretary of State announced that the following TECs and LECs would operate pilot schemes from April 1991: Birmingham,

Bradford, Devon & Cornwall, Grampian, Hertfordshire, Kent, Northumberland, North East Wales, South & East Cheshire, South London TEC (SOLOTEC), and Suffolk.

As a result there will be a wide spread of schemes throughout the country. In addition, although the majority of schemes will offer credits to all young people coming onto the labour market, the use of credits in some TEC areas will be limited to training in priority skills or industrial training.

#### Objectives for the pilot schemes

All pilots have the following objectives:

- to increase the number of young people entering training and securing higher levels of skills and qualifications;
- to create more jobs with quality training;
- to ensure that training funded under credits must be aimed at least at qualifications or their equivalents to the second level of National Vocational Qualifications;
- to enhance careers education and guidance to enable young people to make the best use of their credit in choosing the training and job opportunities available to them, i.e. a number of pilots include an in-depth careers interview leading to the development of an individual Action Plan for all young people thinking of leaving school; and
- to meet the Government's guarantee of a suitable training place for all young people under 18 who do not have a job must be met.

# JOB CREATION

## France

### New Employment Plan

On 19.9.90 the French Cabinet adopted the third Employment Plan. This expresses the determination of the Government to strengthen the fight for employment. This new plan has two priorities: fighting labour shortages and developing vocational training, especially in small enterprises.

#### The fight against labour shortages

Analyses of the functioning of the labour market and the observations of different local actors bring out a paradoxical phenomenon: more than half the enterprises state that they are unable to find employees with the skills needed, whereas, often, the job-seekers cannot fill existing job-vacancies for lack of skills.

#### 1. Access to employment traineeships

(Stage d'accès à l'emploi)

A new measure will be brought in, the access to employment traineeship. It aims to match the enterprise which has a job vacancy with the job-seeker. The access employment traineeship can be applied in two situations:

- when adapting the competence of a job-seeker to the profile of a job which the enterprise has difficulty in filling, the vacancy having been registered with the National Employment Agency (*ANPE*) (in this case the traineeship replaces the upgrading training courses of *ANPE*);
- when training an employee of the enterprise who has been selected to move to a more highly qualified job, provided that this move is accompanied by the position vacated being taken up by a job-seeker.

This approach will be applied either to meet a single need or to facilitate a training and recruitment plan negotiated with an enterprise. It will be co-financed by the State and the enterprise in question. A programme of 50,000 actions is envisaged for 1991.

#### 2. Assessment-action programme (*Programme Diagnostic-Action*)

Another more modest measure is foreseen to identify labour shortages. This 'assessment-action programme' will be set up, on the initiative of the 'departmental' labour and employment director (*directeur départemental*) of 50 employment catchment areas. The programme consists of an audit of difficulties and the definition of an action plan.

### Developing vocational training in small enterprises

Small enterprises account for the revival of employment which has been seen in France over the last few years: more than half of the jobs created were in enterprises of less than 50 employees. Yet it is in these small enterprises that the effort devoted to vocational training is the weakest: 1.4% of the wage bill as against 2.7% in enterprises of 500 to 2,000 employees and 4.4% in enterprises of more than 2,000 employees. Thus, the enterprises which are recruiting are not those which are training and it is necessary to help develop training in small enterprises. Two new measures are thus included in this new Employment Plan:

#### 1. Adapting the training tax credit.

Brought in by law in 1988, the vocational training tax credit allows enterprises which increase their training expenditure from one year to the next a tax reduction. This measure was not permanent in character and the statistics have shown that of 46,000 enterprises which have used this measure, those with less than 50 employees represent only 18% of the beneficiaries. This measure will therefore be renewed in 1991 and the small enterprises will benefit from a more advantageous system: the rate of the tax credit will be raised to 35% for training expenditure for enterprises with less than 50 employees.

#### 2. Aid for replacing employees undergoing in training.

Also to facilitate the development of training in small enterprises, the government decided to bring in a measure whereby the State shoulders, in part, the costs of replacing an employee undergoing training. A lump sum replacement aid of FFR 3,000 per month will be granted to enterprises with less than 50 employees for training of more than 120 hours if they hire a replacement for the employee undergoing training. This measure only applies for small enterprises since the large and medium-sized enterprises can draw on their larger staff to compensate for the absence of employees taking part in training.

### Other measures of the Employment Plan

Of the new 20 measures included in this Employment Plan the following are noteworthy:

- renewing the exemptions in 1991 from employers' social security contributions for



## JOB CREATION

- hiring the first employee; 65,000 enterprises were beneficiaries in 1989;
- increasing incentives for creating enterprises: the minimum amount of the aid granted to job-seekers who create an enterprise has been increased by 50% (from FFR 10,750 to FFR 16,125); the aid is also available to recipients of the minimum integration income as well as to any employee who leaves an enterprise as a result of redundancy and who is taking over or creating an enterprise (spin-offs);
- developing 'return to work contracts' for the long-term unemployed, created in September 1989, which should benefit 100,000 persons in 1990:
  - a counselling aid (FFR 10,000 per mentor) will help the coaching of employees during the first months of their integration in the enterprise;
  - this contract will be open to handicapped Job-seekers;

- developing the 'employment-solidarity contract' (work done in public interest within non-profit organisations) which should reach 300,000 in 1991: a government aid will help small associations and communes to finance hiring on the basis of an employment-solidarity contract.

All in all, this new Employment Plan meets two major objectives:

- it strengthens measures taken within the Plan adopted on 13.9.89 (exemption from contributions for hiring the first employee, return to work contract, employment-solidarity contract);
- to deal with acute emerging problems, such as labour shortages and the discrepancy between the training efforts of small and large enterprises.

## Netherlands

### Labour pools for long-term unemployed

Local authorities and Regional Employment Boards (*RBAs*) can now make agreements about the establishment of labour pools (*banenpools*) for long-term unemployed (LTUs). A labour pool is an arrangement by which a group of unemployed people are placed within a work organisation from which they can be 'loaned' or made available to companies, institutions or services which may or may not be participants in or members of this work organisation. Labour pools complete the programmes which are aimed at getting LTUs into a paid job. Those who have been unemployed for over three years can participate. A 'reorientation interview' must have determined that the LTUs have no prospect of a regular job (cfr. iM 28).

For every unemployed person employed through a labour pool the State will contribute its share in the previously paid allowance as well as an annual subsidy of HFL 7,000. Furthermore the future Employment Service holds out the prospect of another HFL 3,500 per year for each participant. Besides the amounts paid as allowances for the participants involved, the government has made available HFL 25 million for 1991. The contribution of the Employment Service will be HFL 12,5 million. This allows 3,600 unemployed persons to be placed.

Contributions to the labour pools will rise in the future. In 1993 the government will allocate HFL

125 million and the Employment Service another HFL 62,5 million. It is expected that this will allow 17,900 persons to participate in the programme. In 1994 21,400 LTUs will be able to be placed in labour pools for which the government will devote HFL 150 million. The contribution of the Employment Service has not yet been established for that year.

# SPECIAL CATEGORIES OF WORKERS

## Belgium

### Employment promotion for groups at risk

For the years 1989 and 1990 the programme-law of 30.12.88 brought in a contribution of 0.18% of the wage bill to the Employment Fund, to be paid by employers who are not bound by a collective labour agreement (*CCT*) or a collective agreement providing for employment promotion initiatives to foster the groups at risk among the job-seekers (cfr. iM 26).

The Employment Fund is required to devote the proceeds from these contributions to subsidising schemes which combine work with training and are carried out within the context of vocational integration agreements. The Royal Decree of 27.2.89 defines the limits and the conditions under which the Fund can grant financial support to the employer who hires a job-seeker belonging to one of the groups at risk within the context of such an initiative. The Royal Decree of 22.6.90 (*Moniteur Belge -MB-* of 17.7.90) modified certain provisions of the above mentioned Royal Decree, in particular as regards its area of application.

#### Applicants for financial support

In principle applications to the Employment Fund for financial support can be submitted by:

- enterprises employing workers on an employment contract;
- groups of enterprises (all or several private sector enterprises in the same branch of industry grouped within a trade federation or association);
- organisations (Livelihood Guarantee Funds, associations set up by the organisations representative of employers or workers);
- institutions (any public sector services, administrations, bodies or enterprises) which have established a collaboration agreement with an enterprise, a group of enterprises or an organisation.

It should be pointed out that the employers who are exempted from paying the contribution because they are bound by a *CCT* imposing an equivalent effort (see above) can only benefit from the financial support of the Fund for projects other than the ones which exempted them from paying the contribution.

The employers who have been unconditionally exempted from the area of application of the contribution (this concerns the State, the Communities and Regions, grant-aided

denominational educational establishments, ...) are excluded from possible financial support of the Fund.

### Projects

#### 1. Employment initiatives - the vocational integration agreement

Employment initiatives embrace:

- all actions combining employment with training, carried out by an employer within the context of a vocational integration agreement (type A initiative);
- any new or additional employment or training project submitted by an enterprise, a group of enterprises, an organisation or an institution which has established a collaboration agreement with an enterprise, a group of enterprises or an organisation within the context of a vocational integration agreement with a view to putting to work people who belong to one of the groups at risk (type B initiative).

The vocational integration agreement is signed by the Minister of Employment and Labour after the Evaluation Commission has given its opinion. This Commission consists of an equal number of employers' and workers' representatives. It also includes representatives of Ministers who, within the Executives of the Regions and the Communities, are competent in employment, training and education; these representatives have a consultative voice. The Commission is chaired by a representative of the Minister of Employment and Labour.

As regards the agreements reached in the context of type A initiative, stress is laid on the actual hiring of a job-seeker belonging to one of the groups at risk. He/she must be hired on an open-ended employment contract or on an industrial apprenticeship contract. The duration of these agreements is a minimum of one year and two years maximum.

As regards an agreement reached in the context of a type B initiative, stress is laid more on the aspect of training of groups at risk. In this case, the Evaluation Commission must determine whether the training programme instituted will have sufficient impact on employment. Such an agreement has a duration of a maximum of one year.

The vocational integration agreement must, in

## SPECIAL CATEGORIES OF WORKERS

each case, provide descriptions at least of:

- the training and employment action;
- the categories of job-seekers, belonging to one of the groups at risk, the agreement is focusing on;
- the duration of the action;
- the estimated cost of the action envisaged;
- the ways in which periodic and final evaluations of the action are made;
- the monitoring system of its proper implementation.

The evaluation reports (periodic and final) are submitted to the Evaluation Commission.

### 2. Employment or training of groups at risk

The employment initiatives included in a vocational integration agreement must be targeted at job-seekers belonging to groups at risk. The Royal Decree of 2.2.89 carrying out the article 138 of the programme-law of 30.12.88 (MB of 8.2.89) defined these groups at risk. They are the long-term unemployed or the unemployed with low qualifications, young people subject to part-time compulsory education and job-seekers after having taken a career break (cfr. iM 26).

#### Amount of the financial support

Within the limits of the resources constituted by the contribution of 0.18%, the Employment Fund gives financial support to:

- the employer hiring a job-seeker within the context of an employment initiative (type A initiative). In this case the subsidy is equivalent to the average unemployment benefit which cannot exceed:
- BFR 15,000 a month for a job-seeker over 18 years;
- BFR 7,000 a month for a job-seeker under 18 years.

The subsidy is due for every month of employment for a period at most equal to the duration of the action which is the subject of a vocational integration agreement. It is not due during periods of contract suspension which are not classed as working days and/or which do not give rise to payment of employee or employer social security contributions.

- the initiator of an employment or training project (type B initiative). The modalities of this subsidy need still to be fixed by Ministerial Decree.

#### Loss of entitlement to the subsidy

Concerning type A projects, the employer has to return the total of the subsidy received to the Employment Fund under two conditions: first, if he terminates the job-seeker's contract unilaterally and without the termination being justified by:

- Act of God if this has the effect of making the execution of the contract definitely impossible;
- economic reasons recognised by the competent Joint Commission;
- cessation of enterprise activities;
- circumstances previously approved by the competent Joint Commission on apprenticeships in the case of industrial apprenticeship contracts; or
- reasons recognised beforehand by the Evaluation Commission as being sufficient.

Second, if the employer does not respect the obligations imposed by the vocational integration agreement.

The initiators of a type B project have to return the whole subsidy to the Employment Fund under two conditions: first, if they unilaterally terminate the training of the job-seekers without the termination being justified by:

- Act of God if this has the effect of making the continuation of the training impossible; or
- reasons recognised beforehand by the Evaluation Commission as being sufficient.

Second, if they do not respect the obligations imposed by the vocational integration agreement.

Moreover, employers or initiators lose the benefit of the subsidies when the Evaluation Commission ascertains that the action implemented no longer meets the intended objectives of the vocational integration.

## Germany

### Supporting women re-entering the labour market

The government's efforts to support women returning to working life have been successful. This is shown in a report of the Federal Employment Service (BA) on the support given

to women re-entering the labour market (*Berufsrückkehrerinnen*). They are making increasing use of the placement and guidance services of employment offices. But their vocational reintegration is still facing a variety of difficulties.

## SPECIAL CATEGORIES OF WORKERS

### Part-time, qualification, benefits

The majority of the women concerned want to start off again from their jobs. They are quite prepared to acquire the skills needed for using new technologies in the occupation for which they were trained.

A disproportional number of those women want to work part-time. But there is a shortage in the supply of such jobs. And finding part-time jobs becomes more difficult, the higher the level of qualification.

In general, finding jobs for younger women with higher vocational qualifications does not cause particular problems but it does for women older than 45 who have not completed their vocational training.

The majority of the women re-entering the labour market depend on integration aids provided by the employment offices (BA). Participation of women in BA-promoted further training and retraining measures is constantly increasing.

In this connection the employment offices report that there is a significant shortage of information among women. Therefore the labour minister will publish a brochure in particular to better inform women re-entering the labour market about programmes opened up by the Labour Promotion Act (AFG).

### Pilots and special programmes

This lack of information is confirmed by the experience so far of running pilots and special programmes for women re-entering the labour market. Under the pilot programme 'Provision of

guidance and guidance institutions for women re-entering the labour market', 17 guidance bureaux are financially supported by the Federal Ministry for Youth, Family, Women and Health. They provide integral guidance, i.e. guidance concerning social, educational and personal matters.

One special programme provides for the re-integration of women after having brought up a family by means of measures fostering the 'settling-in' period. Through this programme employers can receive a subsidy for the settling-in period, necessary for employing women who want to return to the labour market on an open-ended employment contract and qualifying them.

### Appeal to social partners

The labour minister has appealed to corporate management and to the two sides of industry to devote more attention to easing the re-entry of women to working life. Priority should be given to:

- creating additional high quality part-time jobs;
- providing sufficient child care facilities in the vicinity of companies;
- increasing the possibilities of maintaining contacts with the company during the period of bringing up the family through replacements in holiday periods or sickness absences or when participating in training activities.

Finally, the minister has pointed out that promises of reinstatement might significantly enhance women's willingness to take further training during the period of bringing up a family.

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## WORKING TIME

### Belgium

#### Reintegration allowance for workers after a career break

Workers in the private sector can interrupt their career for up to a maximum of five years (cfr. BIR Belgium vii.3 and iM 26). However, it appears that workers who have taken a career break of several years face reintegration difficulties when they return to work. For this reason, employers often hesitate to grant or renew a career break.

To optimise the reintegration of these workers, Royal Decree of 13.8.90, modifying the Royal

Decree of 4.8.86 on granting career break allowances (*Moniteur Belge* of 17.8.90), lays down that the workers are eligible during the last month of their full career break for an increased career break allowance, if they come to an agreement with their employer that they will take part in a reintegration programme of at least two weeks during the last month of their break.

It should be pointed out that this measure was among the proposals submitted by the discussion group 'Family and the labour market'.

## WORKING TIME

### Conditions

The increased allowance is granted to workers who:

- take a full career break for a maximum period of 36 consecutive months;
- produce evidence of the agreement with the employer that he/she will follow, during the last month of the break period, a reintegration programme of at least two weeks, organised by the employer; this document must be accompanied by a detailed description of the reintegration programme to be attended and must be filed at least 10 days before the beginning of the month in which the programme starts;
- do not start a new full career break period within twelve months following the end of the previous career break.

### Reintegration programme

Any initiative aimed at genuinely improving the

worker's reintegration into his/her working environment is acceptable. A programme can, for instance, include one or several interviews with executive staff, specific training, training for a specific work tool, etc.

### Amount and insurance

The worker who satisfies the required conditions is granted a lump sum increase for the last month of the foreseen career break amounting to:

- BFR 5,000 in case of a complete career break from a full-time job;
- part of this amount, proportionately to the working hours, in case of a complete career break from a part-time job.

The workers concerned are insured by the National Employment Office against industrial injury and against accidents while travelling to their place of work for the period of the reintegration programme.

## Greece

### New working time regulations

Law 1892 of 31.7.90 includes a number of articles related to working time and employment.

#### Part-time work (Article 38)

Part-time work can be the subject of a written agreement between the employer and the employee. Rejection by the employer of the proposal to work part-time cannot form the ground to terminate the working relation. The remuneration of part-time workers cannot be lower than that laid down by law for full-time workers, according to the hours worked. The part-time employees are entitled to paid annual holidays.

If the employee has another job or family commitments, the employer can only apply provisions according to article 659 of the Civil Code for part-time workers. The part-time worker who wants to work full-time in the same enterprise has preference over to the other applicants. It must be noted that all the other provisions of labour law also apply to part-time workers.

#### Social security of part-time workers (Article 39)

Part-time workers are compulsorily insured with the principal and secondary insurance bodies as well as with the National Manpower Employment Organisation (OAED) according to the provisions in force. There is one exception concerning the social security of part-time

workers (whether wage or salary earners): only the days worked during the salary period are taken into account. With the enforcement of this new law a special first class category of social security has been established for part-time workers. Contributions are calculated on the basis of wages and salaries paid.

Since the wages of part-time workers are lower than that of full-time workers, their unemployment benefits are also lower. The amount of basic pensions of part-time workers will be worked out by taking into consideration the presumed daily wages for which insurance contributions have been paid. This will be published in a Presidential Decree to be made on the proposal of the Minister of National Economy, the Minister of Health and the Minister of Social Security and Welfare.

This article of the law is not applicable to part-time workers who are working in their employer's home or in the home of the employer's relatives as this is provided for in article 1, par. 1 of Law 1759 of 1988. Insurance provisions concerning these persons already exist.

#### Additional shift-work (Article 40)

Enterprises or businesses which do not have a continuous working system can only operate continuously (seven days a week, night and day) by bringing in four successive shifts, provided their workers agree. These enterprises can operate, fully or in part, continuously if they hire additional staff to work on Saturday and Sunday

## WORKING TIME

or on Sunday and Monday where these persons work alternatively in two shifts of 12 hours a day. The total wages for working 24 hours, including rest days or night-working, are considered equal to working 40 hours except if reduced weekly working time is applied.

Persons contributing to a principal insurance fund are only entitled to work a few hours in shifts since their working time cannot exceed 48 hours per week. Each worker who works for 24 hours is insured for six working days according to paragraphs 2 and 3 of this Article.

According to paragraph 1, enterprises and businesses can only operate, fully or in part, for six days a week if the employer gives a Saturday or a Monday as a rest day every three weeks. The agreement of the employee is compulsory for employment covered in this paragraph.

### Re-arranging working time (Article 48)

Employment contracts or agreements between the employer and employees' representatives can fix the number of working hours at (an increased) nine hours per day and 48 hours per week for a period of up to three months, provided that for the following (three months) period the number of working hours is reduced. The average of working hours for the entire period (up to six months) cannot exceed 40 hours per week and the pay for the whole period must be equal to pay for working eight hours per day and 40 hours per week.

### Working time in shops (Article 42)

Shops cannot open before 6.00 a.m. and close later than 8.00 p.m. (3.00 p.m. on Saturdays). Late opening till 10.00 p.m. is possible once a week. Opening hours for shops are not compulsory. Shop-workers work five days per week.

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## European Community

### Draft directive concerning working time

In July 1990, the Commission approved a draft directive concerning certain aspects of managing working time. These include minimum rest periods per day and per week, minimum

conditions for having recourse to shift work, especially night work, and health protection and safety of workers in cases of changing work schedules.

The directive is based on Article 118 A of the Single Act.

## MISCELLANEOUS

### Ireland

#### Industrial Relations Act 1990

Arising from a commitment in the Programme for National Recovery, discussions with the social partners were held about changes in industrial relations aimed at providing a better framework for collective bargaining and dispute settlement and creating conditions for employment-generating investment. The Industrial Relations Bill published in December 1989 was the embodiment of that commitment. The Act, which was passed in July 1990, provides for major reform of industrial relations, trade union law and for the establishment of a new Labour Relations Commission.

#### Trade Union Law

##### The changes in trade union law

- tighten and clarify the law in relation to picketing, especially secondary picketing. Picketing is permissible only at the place of business of an employer. Secondary picketing is confined to situations where a second employer acts in a way calculated to frustrate industrial action by directly assisting the employer who is party to a dispute;
- confine the immunity for trade unions against actions for tort to acts committed in contemplation of furtherance of a trade dispute;
- alter the definition of trade dispute to exclude

- disputes between workers;
- remove immunity from disputes involving only one worker where procedures have not been followed;
- provide that unions must have a rule in rule books requiring the holding of secret ballots before industrial action is taken;
- regulate the granting of injunctions in trade dispute situations;
- facilitate further rationalisation of the trade union movement.

### **Industrial Relations Institutions**

In the industrial relations area the measures provided for include the establishment of a Labour Relations Commission with responsibility for the promotion of good industrial relations and the prevention and resolution of trade disputes. The Commission

## **Italy**

### **The right to strike in essential public services**

Law n° 146 of 12.6.90 lays down regulations on exercising the right to strike in essential public services and on safeguarding the constitutionally guaranteed rights of the individual.

Article 1 sets out the essential public services in which the regulations governing the right to strike have to be implemented. The services in question are those which, irrespective of the legal nature of the employer-employee relationship, ensure the constitutionally guaranteed enjoyment of the rights of the individual: the right to life, to health, to freedom of movement, to social security and welfare, to education and to freedom of expression.

In the cases of these essential public services, the right to strike has to be exercised in observance of the following measures directed at ensuring that indispensable services are provided:

- strike notice must not be less than 10 days', the duration of the work stoppages must be indicated and a minimum level of indispensable services must be ensured;
- enterprises and administrations providing essential services are required to announce to the users, in appropriate form, at least 5 days before the strike begins, how and when services will be provided in the course of the strike. They must furthermore guarantee, and inform users thereof, the prompt resumption of the service once the stoppage is finished;
- the public radio and television service and those newspapers which benefit from rate

## **MISCELLANEOUS**

will encourage and facilitate a more active approach to dispute prevention and resolution. As a result, the original purpose and status of Labour Court investigation and recommendations will be restored.

The Commission will also carry out a number of new functions and services, including the drawing up of codes of practice and monitoring and carrying out research into developments in industrial relations.

The Act also provides for changes in the structure and operation of Joint Labour Committees and improvements in the arrangements for the enforcement of Employment Regulation Orders and Registered Employment Agreements. (cfr. BIR Ireland, Chap.2)

- concessions are required to inform the public of such announcements as rapidly as possible;
- if the stoppage concerns the connections with the islands, the enterprises which provide services are required to guarantee the services indispensable for the movement of persons and the supply of goods;
- administrations and enterprises are required to make an announcement of the number of the workers who participated in the strike and of its duration.

The regulations concerning the minimum notice and the indication of the duration do not apply in cases of work stoppages in defence of the constitutionally order or when protesting against serious events detrimental to the safety and security of the workers.

### **Sanctions against violation of the regulations**

Workers who infringe these regulations by stoppages are subject to disciplinary sanctions in accordance with the seriousness of the violation; measures terminating or modifying their employment relationship are, however, excluded.

The trade union organisation which violate these regulations will not be able to benefit, for a period of less than one month, from the union' dues which are retained at source from the wages; these will be transferred to the National Institute for Social Security.

When there is a well-founded danger for the rights of the individual, the parties will be invited to discontinue the damaging behaviour by the

## MISCELLANEOUS

Prime Minister, or a minister delegated by him, if the conflict is of national importance, or the prefect in the case of local conflicts. If such a situation persists, an ordinance will be issued aimed at guaranteeing the essential services.

### Establishment of a Guarantee Commission

Article 12 provides for the establishment of a Commission guaranteeing the implementation of the law (*Commissione di garanzia*). The Commission consists of nine members designated by the Presidents of the Lower House and Senate and chosen from among experts in labour law and industrial relations. Members of parliament and persons holding office in political parties and trade unions cannot sit on the Commission.

## United Kingdom

### Employing unemployed people

A recent report, 'Employing Unemployed People: How Employers Gain', produced by the Employment Service has shown how leading companies are finding new cost-effective ways of recruiting and retaining workers from the pool of unemployed people. These ideas and the experience of putting them into practice have been used to help solve problems of staff shortage and recruitment.

The report covers fourteen case studies, twelve of which were success stories in that employers' expectations were met and sometimes exceeded. In the two cases which resulted in initial failure, the projects have not been abandoned but further work is being undertaken to improve the approach adopted. The companies concerned were mostly motivated by their experience of difficulties with employment and retention, although one initiative was motivated out of social concern. However, the companies also found that there were other beneficial spin-offs in terms of positive publicity and improved community and customer relations.

The jobs that the unemployed people were recruited into fell into a broad spectrum - including clerical and banking posts, TV technicians, engineering production, specialised retail assistants and junior management. All of the companies anticipated initial development and learning costs but reckoned that the overall costs would be in line with existing practice.

The various techniques used by the companies included:

- pre-employment training: this was the most widely used technique, with courses available

The Commission has a five-fold role to:

- guarantee that the right to strike is reconciled with the enjoyment of the constitutionally guaranteed rights of the individual;
- express its opinion on questions of interpretation or application of the contents of agreements between the parties concerning the essential services to be ensured;
- evaluate the behaviour of the parties, pointing out possible non-fulfillment or violations; if these exist, the parties will be excluded from negotiations for at least two months;
- express its opinion on disagreements between the trade union organisations on specific clauses concerning what services should be provided, and how; and
- report to the Presidents of the Lower House and Senate on the aspects of its competence.

to boost confidence and morale and to refresh basic skills and work habits. Trainees continue to draw unemployment benefits while on the courses;

- targeted recruitment: e.g. focusing on ethnic minorities. This was often found to bring new sources of talent into an organisation;
- links with local community organisations: these were found to be particularly valuable both in pre-employment training and in targeted recruitment strategies;
- distance recruitment (bringing staff from high unemployment areas to low unemployment areas) was successfully tried in two cases. The organisations involved found it useful also to take on the role of 'accommodation agency' for their recruits;
- new location developments: three cases of recruitment on a large scale were tried in new location developments. All the companies found that, apart from some very short-term transitional problems and provided that normal care is taken in selection, unemployed people are no different from other employees;
- other techniques: e.g. tests of aptitude or attitude, were utilised in support of the major initiatives.

In carrying out these initiatives, the companies were able to draw on the following types of help:

- financial assistance, e.g. from Training Agency or Employment Service;
- training providers who helped to devise and deliver many of the pre-recruitment schemes;
- local community bodies - these were valuable for advice, contacts and practical help.

The report includes descriptions of each case study, a summary and overview, and contact details for the companies involved.



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# European Community

## Report on atypical work

During its session in July 1990, the European Parliament adopted the (Salisch) Initiative Report on atypical work. Atypical work contracts should include specific minimum guarantees:

written contracts, work schedules and the comparability between performance and rights in relation to full-time contracts.

## **Rough currency conversion rates**

One European Currency Unit (ECU) was roughly equivalent to the following amounts of national currencies in December 1990:

Belgium	BFR	42.4
Denmark	DKR	7.87
FR Germany	DM	2.05
Greece	DRA	211
Spain	PTA	130
France	FF	6.93
Ireland	IRL	0.77
Italy	LIT	1,542
Luxembourg	LFR	42.4
Netherlands	HFL	2.31
Portugal	ESC	180
United Kingdom	UKL	0.70





## **BASIC INFORMATION REPORTS**

Comparable information on labour market operations and policies from the EC-Member States is published in Basic Information Reports. The following country reports are still available in English, French and/or German at the price of ECU 6 each, or ECU 50 for the set of 12.

<b>Country</b>	<b>Published in</b>	<b>Languages</b>
Belgium	1989	F
Denmark	1988	E / F
Germany	1988	E / G
Greece	1986	E
Spain	1988	E / F / G
France	1987	E / F
Ireland	1988	E
Italy	1988	E / F
Luxembourg	1986	E
Netherlands	1987	E / F / G
Portugal	1987	E / F / G
U.K.	1988	E / F



# MISEP

InforMISEP is the quarterly newsletter of the Mutual Information System on Employment Policies (MISEP). MISEP was created to meet the need for an exchange of information on employment policies within the European Community. InforMISEP (iM) presents those measures, policies and actions adopted by the Member States which are aimed at promoting and improving employment within the European Community. It is compiled on the basis of information provided by national correspondents. The information serves to update the Basic Information Reports (BIRs). InforMISEP is published in English, French and German.

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The Commission has received information from the Government of the United Kingdom that the British Government is planning to withdraw its forces from Cyprus in the near future. The Commission has been asked to examine the implications of this proposal for the stability of the island and the well-being of its population. It has held discussions with the Government of the United Kingdom and the Government of Cyprus, and has also conducted a field visit to Cyprus in order to assess the situation on the ground.

Conclusions

1. The British Government's proposal to withdraw its forces from Cyprus is a matter of great importance for the stability of the island and the well-being of its population.	1. The Commission is of the opinion that the British Government's proposal is not in the interests of the stability of Cyprus or the well-being of its population.
2. The Commission has been asked to examine the implications of this proposal for the stability of the island and the well-being of its population.	2. The Commission has concluded that the British Government's proposal is not in the interests of the stability of Cyprus or the well-being of its population.
3. It has held discussions with the Government of the United Kingdom and the Government of Cyprus, and has also conducted a field visit to Cyprus in order to assess the situation on the ground.	3. The Commission has concluded that the British Government's proposal is not in the interests of the stability of Cyprus or the well-being of its population.
4. The Commission has concluded that the British Government's proposal is not in the interests of the stability of Cyprus or the well-being of its population.	4. The Commission has concluded that the British Government's proposal is not in the interests of the stability of Cyprus or the well-being of its population.
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