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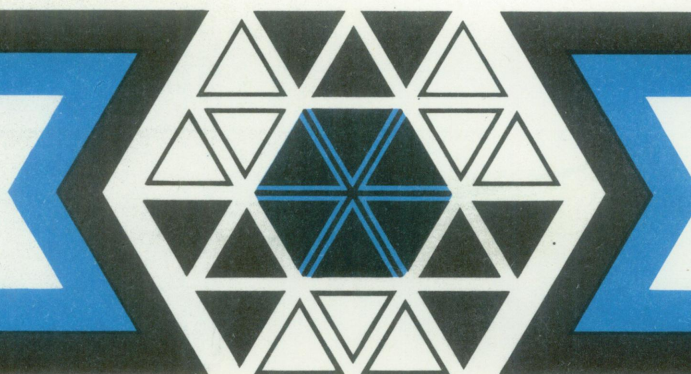
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**The enlargement of
the European community:
Implications for employment
and free movement
of workers** by

George Wedell //



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THE ENLARGEMENT OF THE EUROPEAN COMMUNITY:
IMPLICATIONS FOR EMPLOYMENT AND FREE MOVEMENT OF WORKERS

by

George Wedell

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Note

1. This paper deals with employment and the directly related issues of the free movement of labour. It is not possible, within the limits set, to deal with a range of ancillary matters such as social security, education and training for migrants and their children, housing and the civic rights of migrants.

2. The data assembled in this paper derives from source available to the EEC Commission. In view of the variable statistical bases of the material, all comparisons should be treated with caution.

3. The author is obliged to his colleagues in the relevant specialist Departments of the Commission for their help and advice. Any expressions of opinion deduced from the paper are, however, his own and should in no way be attributed to the EEC Commission.

Introduction

1. Full and better employment and freedom of movement for workers are two major social policy objectives of the European Community in the Social Action Programme of 1974. As set out in Articles 48 and 49 of the Treaty of Rome, the free movement of labour is, indeed, one of the four types of freedom which the Treaty aims to guarantee, together with freedom of movement for goods, services and capital.

2. It is therefore reasonable for States wishing to join the European Community to expect that as members of the Community they will be able to achieve these objectives, even though this may have to be done over a transition period which may vary from one State to another. Hence it is as important for the existing Member States as for the applicant States, before entering into the formal and binding relationship of membership of the Community, to explore whether, and if so, how far this expectation is likely to be fulfilled.

3. Such an exploration becomes more important at a time when the Community, in common with most other industrial countries, is experiencing a slower economic growth and a reduction in the demand for labour. The labour market difficulties experienced by most industrialised countries are not, of course, due only to slower growth. Demographic factors, social changes such as the increasing participation of women, technological developments, changes in patterns of demand all combine to accentuate the mismatch between demand and supply on the labour market. It is not possible, within the limits imposed on the scale of this paper, to do more than draw attention to the multi-faceted character of employment problems at the present time.

4. In order to discuss the implications of the possible accession of Greece, Portugal and Spain to the EEC for employment and the free movement of labour, it is necessary to set their participation, actual and potential, in the context of Community labour market and of the needs and commitments which the Member States have within the Community as well as in relation to third countries. This is particularly important since, particularly in the Mediterranean basin, many commitments exist already which affect the Community's room for manoeuvre.

The Intra-Community Employment Position

5. In the first decade of the Community's existence, there was little difficulty in maintaining high levels of employment in five of the Community's six original members. The high level of demand for labour in these five, coupled with the free movement provisions of the Treaties, made it possible to alleviate the chronic unemployment and under-employment in the less favoured regions of Italy. The major flow of intra-Community migrants during these years was from Italy, as is indicated in Table 1.

Table I
Placement accompanied by immigration to Member State of Workers from the
Member States

Year	1965	1967	1972
	000's	000's	000's
EEC workers ..	261	96	195
of whom Italians	235	75	161

In this table the figures represent the flow of migrants to other countries. Besides illustrating the extent to which the free movement of labour provisions of the Treaties were used by Italian nationals the table also shows the fluctuations in the total flow due to the variations in the economic climate. The migratory flow has declined in the years since the medium-term economic difficulties of the Community set in concurrently with the oil crisis of 1974-75.

6. The first enlargement of the Community showed up a second major area of intra-Community migration, the traditional migration from the Republic of Ireland to the United Kingdom. In 1973 these were estimated to be some 450,000 Irish workers in the UK.

7. By 1975 the stock of workers from one Community country working in another Community country was as set out in Table 2.

Table 2 - Workers from one Community country working in another Community country - 1976

Pays d'origine nationalité	Belgique (1) fin 1976	Danemark (1) 1.1. 1976	Allemagne (1) 30.9. 1976 (2)	France (1) (2)	Irlande (1) 1976	Italie (1) (2)	Luxembourg (1) 1.10. 1976	Pays-Bas (1) 15.12. 1976	Royaume Uni (1)	TOTAL GENERAL
Belgique		160	9 350	25 000	12	771	7 500	17 846 a)	7 500 F	68 000
Danemark	700		3 123	1 000	35	360	0	180 b)	2 000 F	7 000
Allemagne	10 200	5 189		25 000	308	8 955	4 100	12 734 b) c)	71 000 F	137 000
France	38 000	897	42 334		240	5 763	7 700	2 000 b)	16 500 F	114 000
Irlande	600	342	954	1 000		177	0	180 b)	452 000 F	455 000
Italie	90 500	833	279 096	230 000	202		10 900	10 000 b)	72 000 F	694 000
Luxembourg	2 000	5	1 250	2 000	0	41		60 b)	500	6 000
Pays - Bas	17 500	956	46 674	5 000	75	1 543	700		10 500	83 000
Royaume - Uni	9 300	4 120	23 395	11 000	..	6 305	300	7 000 b)		61 000
TOTAL CE	168 800	12 502	406 176	300 000	872	23 915	31 200	50 000 b)	632 000 F	1 625 000

Notes to Tables 2 and 3

- Note: r = chiffre rectifié.
- BELGIQUE: (1) frontaliers non compris,
(2) chômeurs et invalides y compris; estimation établie par le Ministère de l'Emploi et du Travail.
- DANEMARK: (1) frontaliers et travailleurs venant des pays scandinaves non compris.
- ALLEMAGNE: (1) frontaliers y compris;
(2) interruption de la série : les premières données de la nouvelle statistique de la Bundesanstalt für Arbeit relative aux travailleurs occupés assujettis à la sécurité sociale sont publiées à partir du 30 juin 1974; elles ne sont pas entièrement comparables avec celles publiées jusqu'à la date de référence de fin décembre 1972.
(a) estimations établies par les services de la Commission.
- FRANCE: (1) frontaliers non compris;
(2) estimations concernant la situation fin 1973 établies par le Ministère des Affaires sociales; données plus récentes non disponibles.
- IRLANDE: (1) ressortissants du Royaume-Uni non compris;
(2) il s'agit du nombre de permis de travail délivrés en 1976.
- ITALIE: (1) frontaliers non compris.
(2) moyenne annuelle 1975; données plus récentes non disponibles.
- LUXEMBOURG: (1) frontaliers y compris,
- PAYS-BAS: (1) frontaliers belges et allemands y compris;
(a) frontaliers au 1/12/1976;
(b) estimations de la situation fin 1976 établies par les services de la Commission.
(c) dont 734 frontaliers allemands au 1/6/1976;
(d) il s'agit du nombre de permis de travail valables pour travailleurs occupés moins de 5 ans.
- ROYAUME-UNI: (1) estimations concernant la population active étrangère née à l'étranger, établies par le Department of Employment, dans le cadre du recensement de 1971; données plus récentes non disponibles.
(a) estimations établies par les services de la Commission.
(b) dont 631.000 travailleurs nés dans les pays du Commonwealth.

A translation of these notes appears overleaf.

Notes to Tables 2 and 3

Note: r = corrected figure.

BELGIUM: (1) excluding workers from adjacent countries.
(2) unemployed and sick included; estimate made by the Ministry of Employment and Labour.

DENMARK: (1) excluding workers from adjacent countries and workers coming from Scandinavian countries.

GERMANY: (1) including workers from adjacent countries.
(2) the defective series; the first data of the new statistics from the Bundesanstalt für Arbeit relative to employed workers receiving Social Security payments were published as from the 30th June 1974; they are not entirely comparable to those published up to the reference date of the end of December 1972.
(a) estimates made by the Commission's Services.

FRANCE: (1) excluding workers from adjacent countries.
(2) estimates for the situation at the end of 1973 made by the Ministry of Social Affaires; more recent data not available.

IRELAND: (1) excluding those from the UK.
(2) this is in respect of the number of work permits issued in 1976.

ITALY: (1) excluding workers from adjacent countries.
(2) annual mean for 1975; more recent data not available.

LUXEMBOURG: (1) including workers from adjacent countries.

NETHERLANDS: (1) including Belgian and German workers community across nearby frontiers.
(a) foreign community workers at 1st December 1976;
(b) estimates of the situation at the end of 1976 made by the Services of the Commission;
(c) of whom 734 German foreign community workers as at 1st June 1976;
(d) this refers to the number of work permits valid for workers employed for less than five years.

UNITED KINGDOM: (1) estimates about the active foreign population born abroad made by the Department of Employment on the basis of the 1971 Census; more recent data not available.
(a) estimates made by the Services of the Commission;
(b) of whom 631,000 are workers born in Commonwealth countries.

8. The table shows that over 80% of all migrant workers were concentrated in France, Germany and the United Kingdom, and that nearly 70% came from Italy and Ireland. Belgium had the largest number of migrants in proportion to its population and Ireland the smallest. It is also interesting to see that even the prosperous countries were exporters, as well as importers, of workers on a significant scale: 137,000 Germans and 114,000 French were working in other Community countries in 1976.

9. The substantial increase in unemployment in all Community countries since 1974 has created a situation new in the experience of the Community. From being concerned, as was the case during the first 15 years of the Community's life, with the redeployment of labour within a situation of nearly full employment, the Community now has to face the issues of the maintenance of employment, the creation of new jobs, the sharing of available work and the particular needs of groups marginal to the labour market, such as young people, the handicapped, women and older workers.

The Position of Third Country Migrants

10. The number of migrants from countries outside the Community working in EEC countries in 1976 is given in Table 3.

Thus just under 75% of the total number of 6,032,000 migrant workers in Community countries came from outside the Community, about 25% (1,255,000) from Greece, Portugal and Spain.

Table 3

Workers from non EEC Countries working in EEC Countries

1976

Employed in Workers from	Belgium	Denmark	Germany	France	Ireland	Italy	Luxemb.	Nether.	U.K.	Total
Espagne	28 000	629	107 518	265 000	14	2 286	2 100	4 922	37 000 ^f	447 000
Grèce	9 150	438	173 097	5 000	9	983	..	539	50 000 ^a	239 000
Portugal	5 500	181	62 328	475 000	22	1 493	12 800	2 166	10 000 ^a	569 000
Turquie	15 250	5 175	520 989	25 000	44	384	..	17 429	3 000 ^a	587 000
Yugoslavie	2 750	4 043	387 222	50 000	8	4 354	600	4 808	4 000 ^a	458 000
Algérie	3 000	181	1 427	440 000	0	..	..	..	600 ^a	447 000
Maroc	27 000	876	15 435	130 000	0	..	..	7 847	2 000 ^a	183 000
Tunisie	4 000	79	10 000 ^{a)}	70 000	0	..	..	657	200 ^a	85 000
Autres pays non membres	33 550	15 266	236 703	140 000	1 611	25 623	2 000	11 430	926 205 ^b	1 392 000
TOTAL pays non membres	128 200	26 928	1 514 719	1 600 000	1 708	35 123	17 500	49 857 ^{d)}	1 033 005 ^e	4 407 000

11. The figures in Tables 2 and 3 illustrate the flow from the largely rural and agricultural countries, all except Ireland, in Southern Europe and Mediterranean, towards the largely urban and industrial countries of Northern Europe. This migratory pressure arises from a number of factors: demographic, economic and structural. The most obvious are the rising expectations of the rural populations. The younger generations are no longer content with the subsistence agricultural pattern of the older. Although there has been industrial and service sector development, this cannot absorb the exodus from the land. Workers prefer higher wages abroad to lower wages or under-employment at home.

12. These factors are not new: developments since the second world war have intensified traditions of migration (with a view to eventual return) and emigration (with a view to permanent settlement abroad) which go back several generations. As the rapid economic growth in the original Member States of the European Community accelerated, and with it their demand for labour, these movements accelerated also.

13. In view of the links which France has with the Maghreb countries, the majority of migrants from these countries has tended to work there. Table 4 shows where the estimated 710,000 Maghreb citizens who were working in the Community in 1976 were placed:

Table 4
Maghreb citizens working in European Community Countries

1976				
	Belgium	France	Germany	Netherlands
	000's	000's	000's	000's
Algerians	3	440	1,5	-
Moroccans	27	130	15.5	29
Tunisianians	4	70	10	0.9

The recruitment of Maghreb workers is a matter for individual Member States who must, of course, give priority in employment to intra-Community migrants. The only exception to this rule are the privileges accorded to Algerian workers in France. Apart from this the employment provisions of the Maghreb co-operation agreements are confined to the principle of equal treatment for Maghreb and national workers as regards working conditions, wages and social security.

14. The other Mediterranean countries for which migration to the EEC countries constitutes a significant element in their national employment situations (other than the three applicant countries to which reference is made below) are Turkey and Yugoslavia. As Table 3 shows most of their migrants go to work in Germany.

15. The Turkish association agreement envisages that the free movement provisions of the Treaty should be applied on a limited scale by December 1986. The proposed accession of Greece reinforces the need for the Council of Ministers to ensure that, as provided in 1963, there is balanced development of relations with the two countries.

16. Yugoslav economy likewise relies on the outlet which the Community provides for surplus workers, as well as the remittances of foreign exchange sent home by those workers.

Employment in the Applicant Countries

17. Statistical material for the applicant countries varies in availability and quality. The agricultural and small trades and business sectors are, as elsewhere, not very fully documented. Since these sectors play a more important part in the total activity pattern, this has to be borne in mind in using the statistical material. Selected basic demographic and occupational data are given in Table 5.

Table 5

Applicant Countries : Demographic Indicators

Indicator	Community	Greece	Spain	Portugal
Population (1980)	260 m.	9 m.	37 m.	9 m.
Estimated Population Increase 1975-1985	1.7%	3.3%	10.3%	5.0%
Wage and salary earners as percentage of working population (OECD 1975)	-	42.3% (1971)	69.8%	76.7%
Female Employment as percentage of female population (SOEC 1975)	28.2%	11.1% (1971)	19.4%	18.2%
Unemployment as % of working population (SOEC 1976/77)	5.5 m. 5.2%	3.0% (± 100,000)	6.3% (832,000)	7.5% ⁽¹⁾ (?250,000)
Net Emigration 1950-73 (OECD)	-	583,000	1,489,000	1,968,000
As percentage of population 1973		6.6%	4.3%	21.8%

(1) Excluding first job seekers and persons in households whose head has an income.

18. The applicant countries will be adding about 16% to the total population of the Community. Their estimated population increase by 1985 is higher than that of the Community. The proportion of the working population who are wage and salary earners is somewhat lower than in the Community. If that situation can be maintained, the higher growth in the potential labour force in the applicant countries may not be compounded by the large increase in wage and salary earners which is the normal consequence of development.

19. The figures for female employment in Table 5 suggest that in all three countries the percentage of women in employment is much below the Community average. It is not clear whether this is due to the small size of the "modern" sector or to the low participation of women in that sector. There is little doubt, however, that women form a large part of the "family helps" category in agriculture, do seasonal or occasional work, are self employed or employed as domestic helps, none of these activities are included in the official statistics. Since the socio-economic structures of all three countries rely heavily on such workers, the participation rate of women may well be as high as in the Community, if not higher.

20. The unemployment figures in Table 5 are not comparable with the figures for registered unemployed used in the Member States. In Greece, for example, they exclude agricultural workers, first job seekers and agricultural workers returning to their home after employment (normally seasonally in industry or the service sector. All three countries are also likely to have substantial hidden unemployment and under-employment, particularly in agriculture.

21. The disposition of the occupied civilian labour force in the three countries is given in Table 6,

~~Table 6~~
Deployment of Occupied Civilian Labour Force

1975				
Sector	EEC %	Greece %	Spain %	Portugal %
<u>Agriculture</u>	8.7	35.4	22.0	28.1
<u>Industry</u>	41.7	26.3	38.3	33.3
Mining & Quarrying	3.0	2.3	2.2	1.0
Manufacturing	74.6	60.0	69.9	72.6
Energy	2.1	2.8	1.8	1.8
Construction	20.2	26.7	26.2	24.6
<u>Services</u>	45.0	30.4	39.7	20.6
Commerce	n/a	n/a	n/a	12.4
Transport	n/a	n/a	n/a	5.7
Banking & Insurance	n/a	n/a	n/a	2.5

The occupied civilian labour force provides the best indicator of deployment among sectors, particularly in Greece, in view of the preponderance of self-employed workers in agriculture, crafts, cottage industry and services. The 1971 census in that country showed that the self-employed (including family helpers) accounted for nearly 60% of the labour force, compared with an OECD average of 10-20%.

22. The significantly larger proportion of the occupied civilian labour force of the three countries engaged in agriculture is likely to be one of the major employment issues during the negotiations of the terms of accession. At present agriculture, often at or near subsistence level, acts as a sector of last resort. Those workers who cannot get work in the manufacturing or service sectors or whose work in these sectors is seasonal or intermittent, fall back on the agricultural holding of the family or the extended family. Here they are likely to be under-employed and thus to be open to any opportunities for migration which may arise.

23. The outlook for employment in the three applicant countries is difficult. In Spain the economic recovery programme which covers 1978 and 1979 is aimed mainly to maintain the level of employment. To this end it is proposed to increase public investment (by 30% in 1978), to reduce the proportion of social security contribution paid by employees, and to develop special youth employment measures. In Greece the five-year plan for 1976-80 is intended to create 210,000 new jobs in the industrial and service sectors. Half of these new jobs are to be filled by young people entering the labour market; the other half used to alleviate unemployment, provide opportunities for returning migrants and to workers leaving agriculture. In Portugal the aim of the plan for 1977-80 to reduce unemployment by half is unlikely to be achieved. The authorities are hoping to maintain to present level of employment in the face of the increased number of young people (186,000 estimated for 1980) entering the labour market and of the million or so returning citizens from Angola, Mozambique and Timor who are having to be absorbed.

24. It is therefore likely that the employment problems of the applicant States will remain serious after accession. Insofar as modernisation of their economies accelerates, the move from rural to urban areas will be intensified. This will increase the proportion of the potential labour force who rely exclusively either on wages or on employment benefit. The proportion of those to whom independent means of support, even of a marginal kind, will be available is likely to decline.

25. For this reason the reliance of the applicant States on the out flow of migrants to the Community countries is likely to continue. The countries will continue to look to emigration both as a means of reducing their effective potential labour force, and to provide a significant inflow of foreign exchange by way of remittances. But, as Table 7 shows, the absorptive capacity of the more industrialised Member States has already been reduced by the economic recession in those countries.

~~Table 7~~

The Stock of Migrant Workers from the Applicant Countries working in the

EEC

Country	1973	1975	1976
Greece	314,000	260,000	239,000
Portugal	588,000	574,000	569,000
Spain	539,000	474,000	447,000
Total	1,441,000	1,308,000	1,255,000

Employment Issues of Enlargement

26. The medium-term forecasts for employment in the present Community countries predict a continuation of high levels of unemployment until the middle 1980s. The reasons for this include the abnormally large number of young people entering the potential labour force continuing economic recession, technological development which reduces the labour content of production, adjustment to the increasing impact of exports of the manufacturing industries of the Third World and the growing participation rate of women in the primary labour market. All these factors are likely to operate also in the applicant States themselves.

27. The only countervailing factor in this situation which militates in favour of migrant labour is the willingness of migrant workers to take jobs which the indigenous populations find too dirty, arduous, unsocial or demanding. This factor accounts for the co-existence during the recession of substantial migrant labour forces with substantial numbers of indigenous unemployed. But both the demands of social justice and the very proper refusal of second generation migrants to accept such jobs are likely to reduce the significance of this factor in the years to come.

28. No detailed reference is made in this paper to the regional aspects of the employment problem as it affects the applicant States, since these are the subject of other papers in this series. It is evident that in this respect the applicant States and particularly Greece and Portugal, already face serious difficulties which are likely to call for substantial Community intervention if they are not to be aggravated as a consequence of accession.

29. The issues in the manufacturing sectors arising from enlargement are likely to concern the advantage which the applicant countries derive from lower labour costs. This advantage over sectors which in the existing Community are in grave difficulty is unlikely to contribute to the solution on a Community-wide basis of the problem of the Steel, Textiles, Clothing, Shipbuilding, Shoe and Footwear and similar by-placed industries.

30. The problems of agriculture have already been touched on. It may be expected that the opening of the EEC labour markets will prove attractive to underemployed agricultural workers, and will lead to a substantial increase in migration, unless concurrent measures are taken to provide new jobs in the same or other sectors both in the regions concerned and in the applicant countries generally. It remains to be seen whether the socio-economic arguments for the reinforcement of potentially viable patterns of rural life will make possible a formulation of agriculture policies which will maintain and develop in some measure the strong rural bases of all three countries, which have provided them hitherto with an element of resilience at periods of economic difficulty, and which the urbanised industrial countries lack.

Community Support for Employment Policies

31. It is likely that in three areas of negotiation: regional, industrial and agricultural, employment considerations will be in the forefront of the negotiators' minds. They will be aware of the importance of securing a stable framework for the accession of the three applicant countries. As in the existing Member States, the applicant countries will, of course, have to continue to take major responsibility for employment matters. Direct Community intervention can operate only at the margins. But the margins are by no means insignificant.

32. Since freedom of movement for workers is one of the significant provisions of the Treaty of Rome directly affecting the individual, it is axiomatic that their freedom should be made available sooner or later to the citizens of the applicant countries as a consequence of their accession. Given the difficult employment outlook the effect of the abolition of frontiers between the labour markets of the nine and of the three applicants is bound to be matter for careful consideration.

33. It is clearly in the interest neither of the applicant States, nor of the other Community Countries, that tension should be caused by the sudden influx of workers from the former on to the strained labour markets of the latter. Such research as is available suggests that the level of demand for labour is reflected fairly directly in the volume of migration. When the prospects of employment are known to be limited, immigration declines. Thus there is likely to be an element of self regulation. Nonetheless, the perception of opportunities is relative, and it would be unwise to rely solely on such self regulation to adapt the supply of migrant labour to the available employment opportunities.

34. There is, therefore, likely to be scope for Community intervention in the matching of supply and demand for labour by means of co-operation between national placement services. The creation of the SEDOC⁽¹⁾ classification of occupations in the existing Community languages will no doubt need to be extended to the applicant States in order to help national placement services to identify vacancies and the means of filling them, when appropriate, by candidates from other Community countries.

35. Whatever arrangements are agreed it is clear that, in the event of accession, workers from the acceding country must be placed on a footing which is not less favourable than that accorded to workers from third countries whose agreements with the Community provide rights of access for their workers to the Community labour market. Nor can the pressure of accession in any way be allowed to affect the acquired rights of workers from the applicant countries who are already working in Community countries. In addition such workers should, of course, be relieved from whatever restrictions are imposed on them as third country migrants at present. The 1976 Protocol to the 1972 Trade Agreement between the Community and Portugal already provides for the abolition of discrimination against Portuguese workers as regards working conditions, including remuneration and social security.

36. But important though free movement of workers is, Community support for the working of the internal labour market of the potential Member States is likely to be thought more important by them. The application of the provisions of the European Social Fund is therefore of interest to them. It is likely that the structural changes which are already under way in these States will be accelerated as a consequence of their accession. There will be more competition requiring industrial change which, in turn, will require more vocational training.

1. SEDOC = Systeme Europeen de Diffusion des Offres et des Demandes d'Emploi Enregistrees en Compensation Internationale.

There will, accordingly, be scope for Social Fund intervention to promote training and the occupational and geographical mobility of workers. Such aid will be needed particularly in the least favoured regions of the applicant States. The recent decision of the Council of Ministers to make a higher rate of grant from the Social Fund available for training schemes to benefit such regions will, no doubt, be particularly welcome though the regions remain to be defined. Similarly, the specific intervention of the Fund in support of training for women, young people and migrant workers will be of use to the three countries concerned.

37. In agriculture the Guidance and Guarantee Fund will be important in the training of agricultural workers who need to acquire new skills, as well as for the promotion of ancillary and processing industries related to agriculture.

38. In the coal and steel sectors the financial provision of the ECSC Treaty will be helpful in aiding the resettlement and retraining of workers needing to leave the industries as a result of modernisation and rationalisation.

39. The carefully co-ordinated use of these funds and the European Regional Fund, the European Investment Bank and the financial instruments now being devised to encourage industrial reorganisation will be important if Community support of the employment policies of the applicant States is to be effective. The steps currently being taken within the Community towards greater co-ordination of the financial instruments should benefit these countries in due course.

40. It goes without saying that accession to the Community will involve both employers' and workers' organisations, as well as governments, in the network of consultative bodies at Community level which exert

substantial influence on employment matters. In order to participate it is, of course, essential that the organisations at national level should be linked with the relevant organisations at Community level. Since in two of the applicant countries the major trade unions are not yet affiliated to their European associations, these steps remain to be taken, so that there may be full participation as and when accession is agreed.

Summary

41. This paper has indicated the extent to which the three applicant countries and the Member States of the Community are already inter-dependent in labour matter as a result of the migratory traditions of the applicant countries. It has sought to set the employment consequences of enlargement in the context both of the Community employment situation itself, and of the commitments which the Community already has to other countries, especially those in the Mediterranean basin. It has noted that the employment problems of the applicant countries are similar to, though differing in significant respects from, the employment problems of the Community of the Nine. It has touched on some of the issues which are likely to arise in the course of the negotiations and on some of the possible benefits which the applicant States may expect to derive in the employment field from accession. It has stressed the need for an integrated approach to the regional, industrial and employment problems of the applicant countries if membership of the Community is to yield the maximum benefit for them. It has, finally, drawn attention to the need for realism in assessing the short-term benefits deriving from accession.

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