

CONFIDENTIAL

FRAME SOCIAL

FM F.C.O. 111700Z JUN 80
TO PRIORITY VENICE
TELEGRAM NUMBER 10 OF 11 JUNE
INFO PRIORITY UKREP EC

EUROPEAN COUNCIL: DRAFT PRESIDENCY CONCLUSIONS ON EMPLOYMENT.

1. WE UNDERSTAND THAT THE REVISED PRESIDENCY CONCLUSIONS ON EMPLOYMENT, TO BE DISCUSSED BY OFFICIALS OVERNIGHT ON 12/13 JUNE ARE STILL NOT AVAILABLE.

2. AS INDICATED IN PARA 7 OF EHG(V)(80)6, WE FAVOUR CONCLUSIONS WHICH TREAT THE EMPLOYMENT ISSUE AS AN IMPORTANT MATTER, BUT ONE ON WHICH WORK IS CURRENTLY IN HAND AND ON WHICH THE STAGE REACHED CAN BE TAKEN NOTE OF BY THE EUROPEAN COUNCIL WITHOUT CALLS FOR EXPENSIVE FURTHER INITIATIVES OR INSISTENCE ON EARLY PROMOTION OF MEASURES, INVOLVING VARYING FORMS OF WORK SHARING UNLIKELY TO BE HELPFUL TO THE UK.

3. IT WAS, HOWEVER, CLEAR AT THE SOCIAL AFFAIRS COUNCIL ON 9 JUNE THAT THE PRESIDENCY AND COMMISSION WILL PRESS FOR CONCLUSIONS WHICH READ WELL PUBLICLY AND FORM A POINT OF REFERENCE HELPFUL TO THOSE EMPLOYMENT MINISTERS WISHING TO BRING PRESSURE ON FINANCE MINISTERS.

4. AGAINST THAT BACKGROUND, OUR MAIN OBJECTIVE IS TO AVOID WORDING WHICH GIVES NEW IMPETUS TO THE INTRODUCTION OF NEW COMMUNITY INSTRUMENTS OR ALLOWS NEW COMMISSION INITIATIVES INVOLVING COMMUNITY EXPENDITURE FROM, FOR INSTANCE THE EUROPEAN SOCIAL FUND, WHICH WE WOULD NEED TO MATCH IN THE UK IN ORDER TO BENEFIT. BUT WE CAN AND SHOULD LET THE GERMANS AND OTHERS MAKE THE RUNNING ON THIS. (IT REMAINS BROADLY IN OUR INTEREST, ESPECIALLY IN VIEW OF ENLARGEMENT AND ITS GENERALLY OVERSUBSCRIBED CURRENT PROGRAMMES THAT THE FUND SHOULD CONCENTRATE ON ITS TRADITIONAL AREAS OF VOCATIONAL TRAINING AND MOBILITY IN THE REGIONS AND FOR SPECIAL GROUPS SUCH AS THE YOUNG AND HANDICAPPED.)

5. FOLLOWING ARE SPECIFIC COMMENTS ON EMPLOYMENT SECTION OF DRAFT CONCLUSIONS UENT WITH UKREP TELNO. 2737.

PARA 1. NO COMMENT

PARA 2. WE FIND THIS PARAGRAPH OBSCURE. IT IS UNCLEAR WHETHER "SHORT TERM AND STRUCTURAL COMMUNITY AID" IS MEANT TO REFER TO NEW COMMUNITY AID, E.G. THE SOCIAL PROPOSALS FOR STEEL OR A NEW USE OF EXISTING INSTRUMENTS. WE SHOULD PREFER WORDING WHICH CONFIRMS THE NEED TO GIVE PRIORITY TO BRINGING DOWN LEVELS OF UNEMPLOYMENT: NOTES THE USEFUL RESOLUTION OF THE SOCIAL AFFAIRS COUNCIL, CONCERNING SOME PRACTICAL STEPS TO IMPROVE THE WORKING OF THE LABOUR MARKET AND CALLS UPON THE COMMISSION AND THE COUNCIL TO SEE THAT THE COMMUNITY FINANCIAL INSTRUMENTS ARE BROUGHT TO BEAR IN SUPPORT OF ACTIONS AIMED AT IMPROVING THE EMPLOYMENT SITUATION.

PARA 3. ACCEPTABLE, BUT WOULD PREFER "CLOSE" RATHER THAN "CLOSER" COORDINATION. WE WOULD PREFER DELETION OF "BE IN A POSITION TO" WHICH COULD GIVE COVER FOR WIDE AND EXPENSIVE MEASURES OF RESEARCH AND THE COLLECTION OF STATISTICS.

PARA 4. IF A PARAGRAPH ON THESE LINES IS UNAVOIDABLE, WE SHOULD PREFER "ENSURE THAT SUITABLE MACHINERY EXISTS" RATHER THAN THE ESTABLISHMENT OF NEW MACHINERY WHICH MAY NOT BE NEEDED. (NOTE THE COMMISSION'S PROPOSAL FOR A FORMAL LABOUR MARKET COMMITTEE OF OFFICIALS RECEIVED NO SIGNIFICANT REPORT AT THE SOCIAL AFFAIRS COUNCIL.) AND SOME REFERENCE TO THE SOCIAL PARTNERS SHOULD BE INCLUDED. WE SUGGEST THE EUROPEAN COUNCIL MIGHT "ASK THE COMMISSION TO CONTINUE ITS PRESENT UUEFUL SERIES OF CONSULTATION WITH UNIONS AND MANAGERMENTS WITH A VIEW TO FINDING COMMON GROUND FOR ACTION BY THE COMMUNITY TO COMBAT UNEMPLOYMENT."

APART FROM THESE POINTS WE WOULD THINK IT REASONABLE, AND ACCEPTABLE TO MEMBER STATES, TO INCLUDE SOME REFERENCE TO THE IMPORTANCE OF BRINGING INFLATION UNDER CONTROL AND BY SO DOING ESTABLISH AN ENVIRONMENT UNDER WHICH JOBS CAN BE CREATED.

CARRINGTON

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