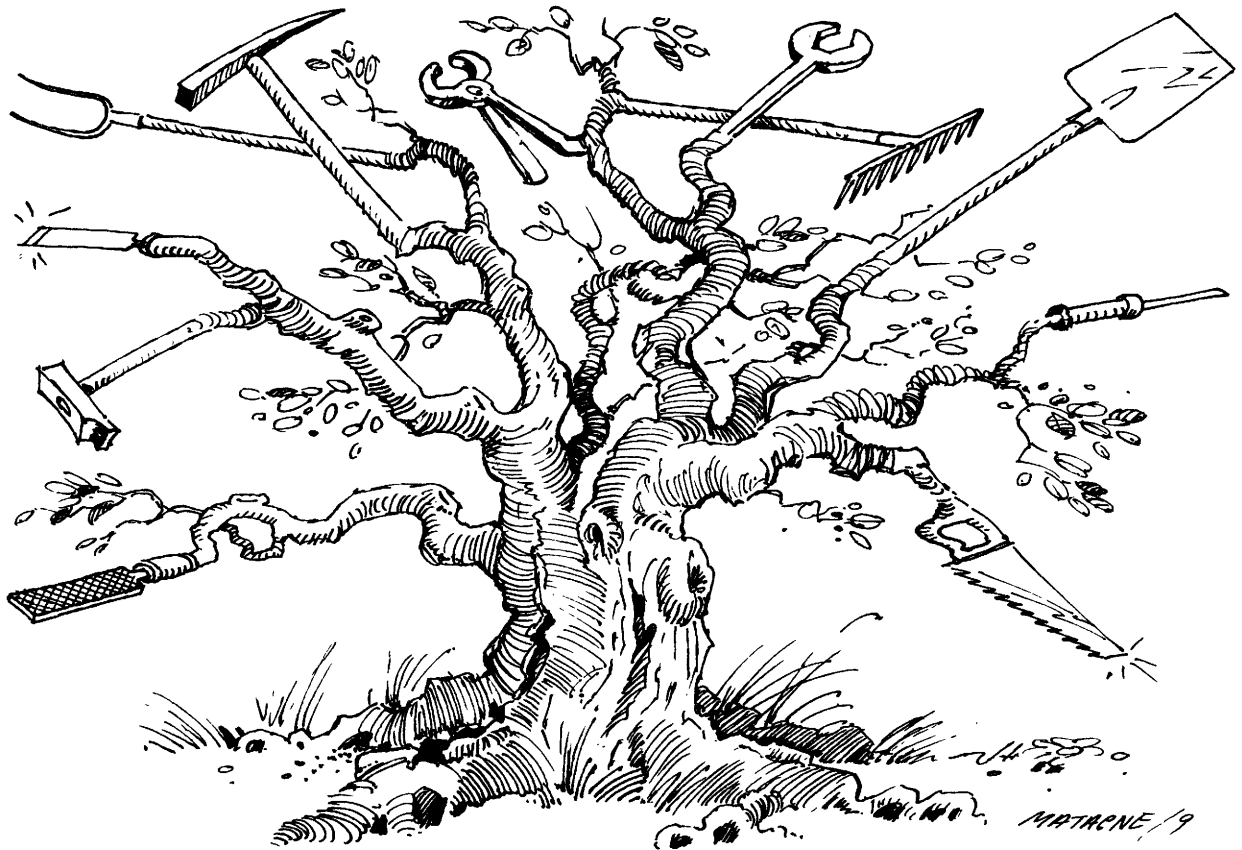


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A job for a tree or a tree for a job.....helping the environment can really provide employment (see page 3).

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IN THIS ISSUE

- ++ Environment, the job creator (p. 3)
- ++ At the Parliament (p. 3)
- ++ Working week (p. 3)
- ++ European agriculture 1976/1977 (p. 4)
- ++ Temporary aid to jobless in UK (p. 5)
- ++ Milk drinking rises (p. 5)
- ++ No silver lining for steel industry (p. 6)
- ++ Job finding competition (p. 7)
- ++ Growth and pollution (p. 7)
- ++ Ecology under sail (p. 7)
- ++ European coal booklet (p. 7)

++ ENVIRONMENT, THE JOB CREATOR

Fighting pollution costs money and, it is claimed, reduces industrial competitiveness which can threaten jobs. A report undertaken for the European Commission has turned this view on its head and shows that environmental protection projects can at no net loss to the economy absorb a large share of the structurally unemployed.

The conclusions of the report are presented by Euroforum in Annex 1.

++ AT THE PARLIAMENT

At the latest session of the European Parliament in Strasbourg, March 13-17, discussion centred on:

- farm prices

The fixing of farm prices for the 1978/79 marketing year was discussed at great length and the Parliament approved the European Commission's proposal for an average increase of only 2%. One amendment stressed, however, that the products which are in structural surplus should not receive any increase.

- Europe education at school

In reply to questions from a number of Parliamentarians, Dr. Guido Brunner of the European Commission stated that the Commission has already begun a programme to ensure that the "Community" was included in educational courses in the Nine. The subject should be integrated into school curricula.

- creation of a European Foundation

The assembly discussed the creation of a European Foundation which, according to the wishes of the Belgian Prime Minister Leo Tindemans, should mobilise public opinion in favour of European goals and policies. Dr. Brunner concluded the debate by outlining the Commission's conception of what such an organisation should be : flexible, non-bureaucratic, and directed at the Member States and possible future members. Such an organisation should be able to give an indirect impulse and encourage the participation of those who have not already been particularly involved in the construction of Europe.

++ WORKING WEEK

Joris Verhaegen of the European Parliament has recently questioned the European Commission on the precise meaning of the term "average week's work" used in statistics and referred to in Euroforum N° 29/77.

This term corresponds to the normal working week "offered" by the employer, plus overtime and hours required of temporary personnel (see Euroforum 4/78).

The European Parliament has also requested the European Commission to specify these figures according to industrial sectors. According to the most recent statistics published by the Community's statistical office, the average working week for manual workers in October 1976 was:

	<u>Mines and quarries</u>	<u>Manufacturing industries</u>	<u>Construction and civil engineering</u>	<u>All in- dustries</u>
Germany	42.5	42.2	42.9	42.3
France	40.8	41.6	44.4	42.2
Italy	41.5	41.5	40.6	41.5
Netherlands	-	41.3	41.0	41.2
Belgium	40.5	38.2	39.4	38.5
Luxembourg	-	40.6	41.5	40.3
U.K.	46.1	41.7	44.0	42.9

++ EUROPEAN AGRICULTURE 1976/1977

The development of the Common Agricultural Policy is well illustrated by a number of figures contained in the 1977 annual report on the agricultural situation in the Community:

- since 1975, the trend towards using farm land for other purposes has slowed down, probably under the impact of the economic recession. The annual decrease in the area of land used for farming was only 0.1% for 1975/76 as against 0.6% during the period 1968 to 1976.
- the reduction in the total number of farms in the Community followed the same trend as in previous years. This decrease showed an annual downswing of 2.7% in 1974/75 and 2.2% in 1975/76.
- labour productivity on farms increased continuously. During the period 1967-1976 the annual increase in labour productivity was 6.3%, as against 2.5% for farm productivity.

- agricultural incomes in the Community in 1977 were about the same as the year before, and gross value added per person working on farms only increased 0.5% in 1977 in real terms. This was only the Community average however, and included variations as wide as +21.5% in Ireland and -8% in Germany.
- in 1976 the average increase in means of production stood between 6.4% (Germany) and 20.5% (Italy). At the same time, the increase in prices of farm produce varied between 11.9% (Germany) and 30.4% (U.K.).
- generally speaking, the increase in consumer prices was lower in 1977, though increases in food prices rose at a higher rate than those of non-food goods and services: 14.2% for the former and 9.7% for the latter, January to July 1977.
- the share of farm produce in Community exports decreased 9.4% in 1973 and 7.5% in 1976. By contrast, imports of farm produce stabilised at around 21% between 1974 and 1976. In terms of absolute value, the net deficit rose from 20.7 billion US dollars in 1975 to 25.1 billion dollars in 1976.

A brochure on the agricultural situation in the Community (extract from the 1977 report) has been published by the Office for Official Publications, P.O. Box 1003, Luxembourg, price £1.80.

++ TEMPORARY AID TO JOBLESS IN UK

Following discussion between the European Commission and the British Government, agreement has been reached to modify the British system of temporary employment aid. Also, the Commission has approved a one year extension of this system which is due to expire March 31.

++ MILK DRINKING RISES

Consumption of milk products is on the increase in some Community countries, on the decrease in others, but overall is stable. Expressed in terms of milk equivalent (3.7% fat content) consumption stood at:

	<u>1975</u>	<u>1976</u>
Germany	305	300
France	392	403
Italy	200	214
Netherlands	300	295
Belgium and Luxembourg	343	373
U.K.	457	432
Ireland	532	524
Denmark	427	408
Community	338	338

++ NO SILVER LINING FOR STEEL INDUSTRY

The predicament of European steel remains grim. In the second quarter of 1978 no significant increase in jobs is forecast. However, a slight increase in production is predicted compared with the beginning of the year, and a slight increase in steel consumption is expected.

Crude steel production figures (in million tonnes) :

	<u>2nd quarter 1977</u>	<u>2nd quarter 1978 (estimate)</u>
Germany	10.11 million tonnes	9.90
France	6.03	5.48
Italy	5.82	5.39
Netherlands	1.19	1.25
Belgium and Luxembourg	4.05	3.97
U.K.	5.04	5.15
Denmark and Ireland	0.16	0.23
Community	32.40	31.85

++ JOB FINDING COMPETITION

A competition is being staged to "study in as concrete a fashion as possible, the nature of unemployment or under-employment in a locality or region which you know well, and to propose precise initiatives which could be taken at low cost to create jobs". The scheme is an idea launched by the European Centre for promotion and training in agricultural and rural areas (CEPFAR). The objective is to stimulate research into ways of combatting unemployment and encouraging development in rural regions. The competition is open to individuals or associations, schools, universities, companies etc. Studies should be sent to CEPFAR, 23/25 rue de la Science, Box 10, 1040 Brussels. Closing date December 31, 1978.

++ GROWTH AND POLLUTION

The quality of the future is the title of a series of programmes being broadcast by France's 3rd channel dealing with quality of life problems. The latest programme in this series which will be broadcast March 31, will deal with "growth and pollution". It will hear the views of Michel Carpentier, Director General for Environment and Consumer Protection in the European Commission, Mr. Tolba, Director General of UNEP (United Nations Environment Programme) and the US economist Kenneth Galbraith.

++ ECOLOGY UNDER SAIL

"The sea must live" is the theme of a campaign organised by the Italian World Wildlife Fund to increase public awareness of marine problems. The WWF has devised a grand spectacle using a gigantic three sail ship, the Americo Vespucci, which will transport its mobile exhibition. The ship has been lent by the Italian navy, and will put into about fifteen Mediterranean ports between April 9 and June 17, 1978, visiting 10 Italian ports and Toulon, Tunis, Valetta, Patras and Split. The sailing ship will moor for a few days in each port to enable inhabitants, schools and tourists to participate in the informational activities on board. The European Commission has given support to the operation.

++ EUROPEAN COAL BOOKLET

February 10, 1953 was an important date in the history of Europe. On this day the common market in coal officially began.

This was the first step in the economic integration of Europe.

When the European Coal and Steel Community (ECSC) was created, coal was the key industry, even the basis for economic growth. Five years later, cheap oil had thrown the industry into crisis. The sharp rise in the hydrocarbon prices in 1973, the increasing European dependence on imported energy (about 59%) and the difficulties experienced in developing nuclear energy pushed coal once more back into the lime-light and improved the industry's position in the Community.

A work entitled "Twenty-five years of the common market in coal 1953-1978" has just been published by the European Commission and analyses three phases in the history of European coal. It concludes by outlining the direction which the Community's energy policy should follow. The work also contains numerous graphs and statistical tables on the coal industry.

This booklet is available from the Office for Official Publications, PO Box 1003, Luxembourg, price £4.

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ENVIRONMENT, THE JOB CREATOR

Some twenty thousand man/years of jobs can be created by improvements to the environment, and the economy of the Community can be given a boost at the same time. These are the conclusions of a study undertaken for the European Commission by two German specialists on the economics of environmental protection.

With unemployment in the Community topping the six million mark, they have proposed a programme of environmental improvement schemes at an estimated cost of 1000 million DM for the whole Community. It could create jobs, reduce many of the structural unemployment problems and also help the environment.

The report points out that resources are available nationally which are at present idle and could be used to subsidise environmental employment programmes - the money paid out in unemployment benefits could be switched to this use, improving the environment and providing work.

Although employment and environmental needs differ greatly from region to region, the study suggests a programme of environmental projects - water treatment plants, land improvement, air purification and noise reduction schemes - from which national authorities could select the most appropriate for local conditions. Selection would be made according to local environmental conditions and would be carefully chosen as to the type of jobs they would create.

Recession and pollution control

Pollution has traditionally been viewed as the inevitable by-product of expanding economic growth. Pollution control, by contrast, has been regarded as an expense likely to hinder economic growth, reduce competitiveness, and lose jobs, even though the benefits to the environment - unquantifiable as they are - are not seriously doubted. It is widely thought that growth, and consequently profits, is the only way to finance pollution control. In times of economic recession such expenditure is de facto ruled out.

The report has turned this view on its head and the authors argue that pollution control is a growth industry in itself, providing employment for ever increasing numbers of well-qualified people. This represents the other side of the coin from the occasional job losses which environmental controls may help to cause. It is also a powerful argument for not putting a brake on the implementation of environmental policy which could only place the jobs in this new industry in jeopardy.

Furthermore, simply by employing large numbers of people on environmental projects in those areas with structural unemployment and environmental problems, can provide jobs, reduce the dole queues and, in overall macroeconomic terms, be a net gain to the economy.

Tailor-made schemes

The basic intention is not to introduce necessarily labour intensive projects, but those that will absorb the structurally unemployed. Schemes would run parallel to conventional job creation programmes.

The study follows the most recent assessments of other economists in seeing the present employment crisis as a long-term affair, which is likely to remain a problem even if the Community emerges relatively quickly from recession. A new job creation programme need not therefore be hampered by the necessity to be of short duration. It can be carefully planned and designed to give a long-term boost to employment opportunities for years to come.

A variety of projects has been suggested - some suited for rural areas and others for industrial regions and cities: water treatment plants, pipe-laying (rainwater, irrigation), air purification, removal of waste tips, dam building, river control, forestry, recultivation of land (unused industrial areas, old roads), recreational areas, noise control, environmental data collection, restoration of old buildings and monuments, etc.

Job-related projects

Each project would be related to the type of unemployment - age, level of qualification, etc. in each specific area. Large cities, for instance, generally have under average general unemployment, above average youth unemployment and an above average level of qualification among those out of work. Industrial regions tend to have way above average unemployment, with slightly above average qualifications and only average youth unemployment. Youth unemployment in rural areas is rarely a problem, though such areas have above average unemployment and generally under average qualifications. Such strongly defined structural problems can best be dealt with by introducing tailor-made industries which can mop up the jobless.

The researchers suggest a catalogue of job-creating environmental programmes, complete with evaluation and expected cost, be drawn up and made available to Member States. A high degree of decentralisation in the operation of the scheme is needed to ensure the necessary administrative flexibility and the suitability of projects to local conditions.

The report suggests the Community draws up such a catalogue and make general recommendations on the implementation of national programmes. Political and administrative aspects are left to the discretion of Member States and individual governments can modify and adjust projects according to regional or local needs.

The cost

The report evaluates the cost/job creation value of the various types of projects and clearly demonstrates that the number of jobs created is not directly related to capital outlay. For the Community as a whole, a programme of water treatment projects would cost in the region of 200 million DM, and would create 1,211 man/years of work. Restoring historic buildings and monuments would involve an outlay of only 150 million DM, yet would create 3,633 man/years of work. Dam building and river control projects would cost an estimated 100 million DM for a return of 2,371 man/years. Noise reduction projects (particularly airports) would need an investment of 50 million DM for 605 man/years.

An overall programme of environmental projects for the Community - selected according to regional and local needs - would create almost 20,000 man years of jobs at a straight cost of 1,000 million DM. The report estimates that the impact on regional structural employment would be substantial and, even ignoring the multiplier effect of these projects, the net impact on the overall economy would be positive.

Though the environmental needs of the Community's regions are almost infinite, the environmental job creation approach does have its limits. Doubling expenditure to 2,000 million DM would not, however, double the number of jobs created. The approach is subject to diminishing returns. Nevertheless, 20,000 man/years of jobs and a reduction in the Community's structural employment would greatly facilitate the Community's goal of reducing unemployment to less than 3% by 1980.

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