

Brussels, 18 March 1975

No 11/75

CONTENTS:

- * Social policy in action (p. 1)
- * European Council in Dublin (p. 2)
- * Consumers' Consultative Committee (p. 2)
- * Town planning in Europe (p. 2)
- * Consumers in Denmark (p. 2)
- * Sewage sludge (p. 3)
- * Non-application of Directives (p. 3)
- * Combatting poverty (p. 3)
- * The car industry (p. 4)
- * Workers in agriculture (p. 4)
- * Comparative testing (p. 4)
- * The price index (p. 4)
- * The aircraft industry (p. 4)
- * The environment and Belgian television (p. 5)



** Unemployment, inflation ... 1974 has been a difficult year. The need for strong and vigorous action in the social field is more urgent than ever. Familiarity with the SOCIAL ACTION PROGRAMME 1974-76 is essential for anyone who wishes to know what has been accomplished already and what remains to be done.

X/144/75-E

This bulletin is published by the

Commission of the European Communities
Directorate General of Information
Division for industrial information and consumers
Rue de la Loi 200
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Further information is available from the Commission's press and information offices in the countries listed on the inside cover.

The information published in this bulletin covers the European Communities' activities in the fields of industrial development, protection of the environment and consumer welfare. It is therefore not limited to recording Commission decisions or opinions.

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ANNEX 1 gives details of existing achievements and action contemplated in the social policy field.

- ** Mr Ortoli, President of the European Commission, has outlined the political conclusions to be drawn from the recent EUROPEAN COUNCIL held in DUBLIN to the European Parliament. Mr Ortoli felt there were two grounds for satisfaction: firstly, the temptation to transform the European Council into a court of appeal had been resisted and, secondly, the European Commission's right of initiative and its role as guardian of the Treaties had been respected in full. The strength, virtue and flexibility of the Treaty had been proven, he said. It was now essential that the Community got under way again.
- ** At its sixth meeting the CONSUMERS' CONSULTATIVE COMMITTEE expressed satisfaction at the forthcoming adoption by the Council of Ministers of the Community's Preliminary Programme for Consumer Information and Protection. The Committee stressed how important it was, in the present economic and social crisis, to provide adequate protection for consumers. The Committee also examined in detail three preliminary proposals now being studied by the European Commission: the marking of textiles, quantity requirements for certain pre-packaged products and product liability. This last point is of particular importance, because of its commercial and legal implications: how far is the manufacturer liable? And the wholesaler? And the retailer? And the buyer? The Committee takes it for granted that Community action should be coordinated with action by the Council of Europe. At its next meeting, scheduled for 13 June 1975, the Committee will discuss the common agricultural policy in the light of the European Commission's stocktaking operation.
- ** As a contribution to improved TOWN PLANNING in Europe, the European Commission will publish two studies in 1975, one on "North-western Europe's Growing Megalopolis", the other on "Environmental Problems in Town Centres".
- ** According to the Statens Husholdningsråd various moves are afoot to PROTECT and INFORM CONSUMERS in DENMARK:
- . As part of an experiment being carried out in conjunction with other Scandinavian countries, 3 600 secondary school children in Copenhagen, Malmö, Oslo, Uleåborg and Jakobsstad, accompanied by 120 teachers, are to attend "consumer education" courses. These will begin in the spring and will be run by a research group from the Teacher Training College in Malmö. The experiment, which is being financed by the Nordic Council, will serve as a basis for the organization of consumer education courses in primary schools throughout Scandinavia.
 - . A research institute has analysed the behaviour of 1 600 housewives in the face of rising prices. The survey, which was carried out in the last quarter of 1974, shows that most housewives have been forced to buy less largely because of the increased cost

of consumer goods and heating. Most of them have been economizing by taking advantage of special offers or by buying fewer luxury goods. The survey also reveals that although 58% of housewives felt that they had been obliged to cut down on spending, 38% had not changed their habits at all and 4% said that they had brought more. 80% of the housewives interviewed expected further increases in food prices in 1975.

- . A special publication entitled Brandvaern (Fire protection) stresses the dangers of aerosols if they are used carelessly near a source of heat or if fire breaks out in shops or warehouses where they are stored. Tests carried out in Germany have shown that fire can project certain types of aerosol over a distance of 50 m. With aerosols containing inflammable products this phenomenon can be accompanied by a fireball measuring several metres across.

** The treatment and utilization of SEWAGE SLUDGE is a problem which affects the whole of Europe. The Council of Ministers has now acted on the opinion of the Community's Scientific and Technical Research Committee (CREST) recommending that the European Commission should carry out research into the harmful effects of sewage sludge.

** NON-APPLICATION OF COMMUNITY DIRECTIVES is unfortunately very common. Indeed compliance with Directives on the abolition of technical barriers to trade varies considerably. The European Commission has established that, of a total of 30 Directives, the following are not being applied by the Member States:

Belgium	19 (three of which are being partially applied)
Denmark	29
France	6
Germany	4
Ireland	24
Italy	14
Luxembourg	18
Netherlands	22 (two of which are being partially applied)
United Kingdom	17

** The programme of pilot projects and studies to COMBAT POVERTY drawn up by the European Commission has been examined and approved by the European Parliament's Committee on Social Affairs. The Committee hoped that further projects would be added to the list and invited the European Commission to report annually to Parliament on progress in the execution of the projects approved.

- ** The European Commission is keeping a close watch on developments in the CAR INDUSTRY. It intends to examine various possible solutions once it has a clear picture of the general situation in the Community. Discussions to this end are now being held with the Member States involved.
- ** The survey of EARNINGS OF AGRICULTURAL WORKERS carried out in 1974 - the results are to be published this year - will be repeated in 1975. Until 1974, Community surveys of wages and salaries were confined to industry, transport and services; agriculture had never been included. The survey approved and conducted in 1974 was designed to produce preliminary comparative information on the level and breakdown of earnings, hours paid and benefits in kind, related to specific characteristics such as age, sex and qualifications.
- ** COMPARATIVE TESTING is a valuable source of information for consumers. The Community Programme for Consumer Protection and Information has recommended a coordinated exchange of information between the various testing organizations in Europe. The European Commission considers that it would be premature to propose the setting up of a European Comparative Testing Institute at this juncture but it is prepared, as part of its ongoing studies of the subject, to discuss the implications of such a scheme with the testing organizations themselves and with other consumer organizations. It should be stated that the cost would be considerable and beyond the scope of immediate budgetary possibilities.
- ** At the end of January THE CONSUMER PRICE INDEX stood as follows:

1970 = 100

	<u>1.1975</u>	<u>Average 1974</u>	<u>12.1974/1.1975</u>	<u>1.1974/1.1975</u>
Belgium	142.5	132.6	+ 1.1%	+ 15.6%
Denmark	152.0	142.0	+ 0.1%	+ 13.4%
France	145.9	136.3	+ 1.1%	+ 14.5%
Germany	131.3	127.1	+ 0.9%	+ 6.1%
Italy	163.2	146.3	+ 1.3%	+ 24.1%
Luxembourg	134.5	127.9	+ 0.6%	+ 10.9%
Netherlands	144.9	138.0	+ 0.5%	+ 10.5%
United Kingdom	164.0	148.5	+ 2.6%	+ 19.9%

Figures for Ireland are not available.

- ** The Council of Ministers, on a proposal from the European Commission, has decided that there is to be concerted action and consultation between the Member States of the Community on industrial policy in the AIRCRAFT INDUSTRY. The launching of construction programmes by undertakings obviously depends on public funds. Member States must therefore coordinate their national policies to avoid unnecessary duplication, improve the choice of programmes

and find the best means of ensuring their realization. The Community has therefore shown that it is strongly in favour of cooperation between aircraft undertakings in the various Member States to promote an improved industrial structure which would allow the European aircraft industry to compete on the world market.

** "Terug naar de bron" (Back to the source) is the title of a campaign to be launched by BRT, Belgium's Dutch-language television station, in conjunction with communes and nature conservancy action groups in Flanders. The purpose of the campaign, which is backed by a number of Ministries, is to make the man-in-the-street aware of the vital role that spring water plays in his daily life. The BRT plans to launch the project on Thursday, 20 March 1975.

THE SOCIAL ACTION PROGRAMME 1974-76

The general economic and social situation in 1974 was characterized by increasing inflationary tendencies, rising unemployment in nearly all Member States and balance of payments difficulties in most of them. By the end of 1974, total unemployment in the countries of the European Community had reached a peak of almost 4 million and consumer prices increased during the course of 1974 by 20% or more in some countries. These difficulties underline the need for strong and vigorous action in the social field as provided for in the Social Action Programme adopted by the Council of Ministers at the end of 1973 and first implemented in 1974.

In 1974 the Council was able to approve seven of the nine proposals presented by the Commission before 1 April 1974. At its meeting on 10 June 1974, it adopted the first three proposals:

1. The two decisions and the regulation on action by the European Social Fund (Article 4) for migrant workers and handicapped persons;
2. The resolution establishing the initial Community action programme for the vocational rehabilitation of handicapped persons;
3. The two decisions on the setting up of an Advisory Committee on Safety, Hygiene and Health Protection at Work and on the extension of the responsibilities of the Mines Safety and Health Commission to all extractive industries.

The Council of Ministers agreed on four further proposals from the Commission at its meeting on 17 December 1974:

4. The directive on the approximation of the laws of the Member States relating to the application of the principle of equal pay for men and women contained in Article 119 of the EEC Treaty;
5. The directive on the approximation of the laws of the Member States relating to mass dismissals;
6. The regulation on the creation of a European Vocational Training Centre;
7. The regulation on the setting up of a European Foundation for the Improvement of Living and Working Conditions.

The first two of these decisions are of special importance in that the Council by adopting them has accepted the principle of setting minimum standards in certain social fields by the approximation of national laws. In fact, the first of the two directives agreed on by the Council is designed to generalize minimum protection standards for women in respect of their right to equal pay by requiring that discriminations still existing in laws or in agreements and contracts be eliminated, by stipulating that the right to pursue equal pay for equal work cannot be frustrated by dismissal and by providing that supervision of the application of this right must be ensured by national law.

The second directive is designed to ensure greater job security by providing that arbitrary mass dismissals cannot be undertaken without a system of prior consultation and notification that will go some way towards alleviating the consequences of dismissals.

The establishment of a European Vocational Training Centre will expedite the progressive attainment of the principal objectives of a common vocational training policy, and in particular the harmonization of training standards in member countries. The creation of the Foundation, on the other hand, will stimulate more intensive study and concertation and will also encourage more precise analysis of and scientific research into all factors affecting living and working conditions. The European Vocational Training Centre and the Foundation for the Improvement of Living and Working Conditions are extremely useful and necessary instruments for achieving some of the main objectives of the Treaties within the Community.

The two remaining proposals have not yet been adopted by the Council. However, a decision can be expected in 1975 at a forthcoming meeting of the Council of Labour and Social Affairs Ministers.

These two proposals are for:

8. A recommendation regarding application of the principle of the 40-hour week and four weeks annual paid holiday;
9. A directive on approximation of the laws of the Member States on the retention of the rights and advantages of employees in the event of mergers, take-overs and amalgamations.

The proposal for a Council recommendation is aimed at achieving minimum standards for working hours (a 40-hour week by the end of 1975) and annual paid holidays (four weeks by the end of 1976) throughout the Community. This proposal has been examined by the European Parliament and the Economic and Social Committee. An amended proposal, taking their comments into account, has been submitted to the Council and awaits decision.

The draft directive on the approximation of national legislation on "acquired rights" of workers will have far-reaching consequences on the labour law of some Member States. It is evident, therefore, that extensive consultation of Community institutions and the other parties involved has preceded the Council's decision.

The main proposals which have been drawn up or which are being drawn up within the framework of the first objective of the Social Action Programme - "Achievement of full and better employment in the Community" - include:

1. The establishment of appropriate consultations between Member States on their employment policies and promotion of better cooperation between national employment services.

2. On 18 December 1974, the European Commission adopted an Action Programme for Migrant Workers and their Families. One of the main objectives of this programme is the progressive elimination of all existing discriminations against migrants from third countries in living and working conditions once they have been legally admitted to employment within the Community. To this end, coordination of Member States' migration policies is urgently required.

Another objective of this programme is the granting of certain civic and political rights to migrants: it proposes that all migrants should have the right to participate in local elections, at the latest by 1980, under conditions still to be defined.

The Commission will, in the course of 1975 and 1976, propose to the Council a number of new activities in various fields affecting migrant workers and their families (free movement and employment, social security, health, education and vocational training, social services, housing ...). Such action has become even more urgent in view of present economic circumstances. For this reason, the Commission feels that the Community should endeavour to strengthen migrants' right to equal treatment.

3. A Memorandum on measures to achieve equality between men and women at work.

This memorandum contains a comprehensive examination of the whole range of areas where action is needed to improve the status of women at work. It covers employment, vocational guidance and training, working conditions, social security, and social services.

Some of the conclusions drawn will need a long-term strategy for their completion. But as an immediate step the memorandum is accompanied by a draft directive aimed at eliminating any existing discrimination against women in the legislation of the Member States as regards access to employment and vocational training, promotion and working conditions.

With regard to the second objective - "Improvement of living and working conditions so as to make possible their harmonization while the improvement is being maintained" - the Commission has prepared the following activities in accordance with the priorities laid down by the Council in its resolution:

4. Appropriate consultations between Member States on their social protection policies.

The preparatory work has already been completed; a special working party of eighteen highly qualified experts, nine of whom represent the national Governments, is to assist the Commission in developing a common long-term perspective and a coherent framework for the various Community measures being prepared in the field of social protection.

5. An initial programme on health and safety at work.

The establishment of an initial programme on health and safety at work, in collaboration with the Joint Committees and the Advisory Committee on Safety, Hygiene and Health Protection at Work set up by the Council decision of 10 June 1974, has been recognized as a priority action. This programme will provide a basic framework for the preparation of activities to be carried out in stages.

6. A programme of pilot schemes and studies to combat poverty in the Community.

The purpose of this limited programme of pilot schemes is to increase understanding of the causes of poverty and to encourage Member States themselves to develop new techniques to overcome severe deprivation where it exists.

7. Finally, a memorandum on the "humanization of work" is to be presented to the Council during 1975.

To facilitate preparation of this memorandum, the European Commission organized a conference of experts on "Work organization, technological development and motivation of the individual" in Brussels from 5 to 7 November 1974. Further discussions with representatives of both sides of industry are to take place before the initial proposal is drafted. The memorandum will try to indicate the steps that should be taken to offer workers greater job satisfaction and increased involvement in decision-making in both private undertakings and the public sector.

Although it is not included in the list of priority actions laid down in the Council Resolution, the European Commission presented to the Council of Ministers on 4 December 1974:

8. The first European Social Budget.

The main purpose of this Social Budget is to give a clearer picture of trends in the Member States up to the end of 1975 with regard to expenditures (and their financing) for several sectors of social policy, notably social security. As the projections from 1973 to 1975 are based on existing legislation and economic forecasts made before the energy crisis, the European Commission has proposed to the Council of Ministers that the information used in this first Social Budget be updated by taking the new legal measures adopted in the meantime into account and making allowance for the profound economic and social changes caused by the new situation; at the same time the Budget should be extended to 1976.

The Conference on Future European Social Policy held in Brussels on 16 December 1974 was attended by the Labour Ministers of the Member States, representatives of the Commission and representatives of employers' and workers' organizations. It gave new impetus to the third main objective of the Social Action Programme - "Increased involvement of management and labour in the economic and social decisions of the Community and of workers in the life of undertakings".

9. One important decision was taken unanimously: to reactivate the Standing Committee on Employment as soon as possible to discuss the very urgent problems still to be solved in the field of employment.

This Committee had not met for more than two years. A first meeting of the enlarged Standing Committee on Employment for the Community of Nine took place in February 1975; it had an extensive exchange of views on two proposals from the European Commission for action in the field of employment: the action programme for migrant workers and intervention by the European Social Fund in favour of industries seriously affected by the economic crisis.

10. At this Conference both employers' and workers' representatives were encouraged to hold joint sectoral meetings so that they could coordinate their efforts in respect of problems arising in various branches of industry.

It is emphasized that the guidelines laid down in the Council Resolution of 21 January 1974 do not constitute a limit to the Community's activity in the social field and that the European Commission retains its right of initiative to make proposals as and when necessary. At a time when serious employment problems affect certain regions, industries and categories of workers, it is proposed to use part of the available resources of the European Social Fund (Article 4) for those branches of industry where the employment situation has been particularly affected by the present economic crisis. The Commission feels that this new measure should be sufficiently flexible to allow a continual adaptation of the industries affected to the changing situation.

The gradual and successful implementation of the Social Action Programme which is to continue throughout 1975 and 1976 is certainly a major step towards the establishment of a real European Social Union. Social problems evolve as a result of the ever-changing desires and demands of society.

In the search for a solution the effects on the individual and on society as a whole must be considered. The European Commission is already well aware of the need to consider the important question of how Community policy in the social field is to be developed after 1976. Initial reflections have already been made but further consultations are necessary. The Commission will present the results of all these deliberations to the other Community institutions in good time to permit discussion leading to decisions on Europe's future social policy.