

WEEKLY

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** The guidelines for the ECONOMIC POLICY of the countries of the Community are the subject of a proposal for a decision which the European Commission recently presented to the Council of Ministers of the Community.

ANNEX 1 consists of extracts from this proposal.

** In order to encourage the flow of information within the Community, we have asked various television programme producers to tell us briefly what each television network broadcasting in the Community does to help consumers.

ANNEX 2 is an account of WHAT TELEVISION DOES TO HELP THE CONSUMER IN GERMANY.

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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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** Set up in 1958, soon after the entry into force of the Treaty establishing the European Economic Community, the UNION OF INDUSTRIES OF THE EUROPEAN COMMUNITY (UNICE), is the authorized spokesman for the whole of industry in the Common Market countries, vis-à-vis the Community institutions and European public opinion. By its activities and work, UNICE encourages national circles to think and to react with a proper awareness of the existence of the European Community and of its growing influence on the economic and social situation in each Member State.

ANNEX 3 gives a brief summary of the activities of the UNICE since it was set up.

** We have asked various organizations in the Community responsible for consumer protection matters to supply us with details of the latest developments in each of the Nine on subjects of direct interest to CONSUMERS. It should be understood that these articles are the sole responsibility of their authors.

The text reproduced in ANNEX 4 was sent to us by the Fédération BELGE des Coopératives.

** INSURED PERSONS - whether employed workers or pension holders, and members of their family - who go to stay IN A COMMUNITY COUNTRY OTHER THAN THE ONE IN WHICH THEY LIVE MAY RECEIVE SICKNESS INSURANCE BENEFITS if they need immediate medical attention during their stay. Before going on holiday, those concerned must obtain Form E III certifying their right to sickness insurance benefits. This form may be obtained from the organization with which they are covered for sickness insurance. In the event of sickness or accident during a stay in another Community country, those concerned must apply to the nearest competent sickness insurance

organization, taking Form E III with them. Sickness expenses (medical care, medicines, hospital treatment, etc.) will be paid by the insurance organization at the place where the insured person is staying, in accordance with the system in force in that country. This organization will supply all necessary particulars. In certain countries (Denmark, Germany, Ireland, Italy, the Netherlands and the United Kingdom) medical care is given free by doctors approved by the insurance organizations. Medicines are also provided free in the Netherlands and in Ireland. In the other countries, insured persons are required to make a (non-recoverable) contribution. In Belgium, France and Luxembourg the insured person must normally pay all or part of the costs incurred and is then reimbursed by the competent sickness insurance organization at the place where he is staying, in accordance with the scale applied to persons insured with that organization. Moreover, if, during his stay, sickness or accident renders him unfit for work, the worker may receive the daily benefits provided for under the regulations of the country where he is insured.

** According to figures published by the European Commission in its monthly booklet "Graphs and notes on the ECONOMIC SITUATION IN THE COMMUNITY (No 4-1974)", industrial production by the end of the first quarter of 1974 had moved appreciably ahead throughout the Community. This tendency has not been a brake on unemployment, however, which has continued to rise in nearly all Community countries; nor on price increases, which continued to accelerate in March. For some agricultural products, however, fruit and vegetables in particular, price rises did slow down.

** The European Commission is having a series of studies made on the technical, economic and legal problems posed by the disposal or recycling of NON-BIODEGRADABLE MATERIALS USED FOR THE PACKAGING OF CONSUMER PRODUCTS. Solution of these problems is one of the priority actions to be undertaken over the next two years as part of the Community's environmental protection programme. The Commission will have the results of these studies sometime during the second half of 1974, and after receiving the final reports, will decide whether the findings should be published.

** THE LEGAL WEEKLY WORKING HOURS FOR MINERS in the principal Member States of the European Community, as of July 1973, varied appreciably from one country to another:

Belgium:	45 hours
Germany:	48 hours
France:	40 hours
Italy:	40 hours
Netherlands:	48 hours
United Kingdom:	No legislation.

** Breathing in the ASBESTOS DUST present in our environment, mainly as a result of asbestos used in car brake-linings, constitutes an appreciable HUMAN HEALTH HAZARD. Owing to the importance of the problem, the European Commission began work in 1973 on a study concerning the levels of this substance measured in the air and water, and their possible health implications. The Commission also proposes to have research undertaken as to the effects of asbestos on human health.

- ** The European Commission considers that it would be an advantage, in the immediate future, to apply the INLAND RATE TO POSTAL SERVICES BETWEEN ALL THE MEMBER STATES, and recently made a proposal to this effect. The three new Member States have not turned down this proposal, which remains open to negotiation, on a reciprocal basis.
- ** In order to make it possible for CONSUMER protection bodies to IMPORT SAMPLES OF GOODS under specially favoured conditions, the European Commission will be proposing in the near future that the Council of Ministers of the Community adopt a common regulation, to be applied at Community frontiers, in respect of goods imported into the Community for testing purposes.
- ** The European Commission recently initiated a study of the problems posed by the presence of PARTICULARLY POLLUTANT SUBSTANCES IN CLEANING AND WASHING PRODUCTS. This study will be concerned with the technical feasibility of altering the composition of such products, or finding substitutes; and also with the precautions to be taken when using them; and the economic impact of the different measures which might ultimately be considered.
- ** To improve the methods of measuring oxygen, in use at the present time in industry, medicine, research laboratories and environmental control, a Symposium on the MEASUREMENT OF MOLECULAR OXYGEN, organized by the Danish Science Research Council and the Eurisotop Office of the European Commission is being held at Odense in Denmark on 26 and 27 September 1974. Further information can be obtained from Mr Degn, Institute of Biochemistry, University of Odense, Niels Bohrs Alle, DK-5000 Odense.

THE GUIDELINES FOR ECONOMIC POLICY FOR 1974

The guidelines for economic policy of the Member States for 1974 are the subject of a draft decision which the European Commission recently submitted to the Council of Ministers.

According to the Commission the current situation requires that Member States' short-term economic policies aim at the following objectives:

restructuring their economies to adapt them to the changes in the external situation;

stepping up the fight against inflation in order to preserve purchasing power;

in the case of those countries whose external situation had deteriorated appreciably even before the crisis, achieving a reduction which must be substantial in the balance of payments deficit.

The fulfilment of these requirements may in certain cases endanger full employment. Although this is also a priority objective it is necessary to stress that in the current situation it cannot be achieved by a general stimulation of nominal internal demand, but rather by means of specific actions.

In order to realize all these objectives, some means of regulation of overall demand is indispensable, but it must necessarily, and especially in present circumstances, be incorporated into a longer-term view. The changes to be brought about are of such

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size that they imply action in depth which needs to be undertaken forthwith in order to achieve results in a reasonable period of time. The sacrifices they will require will be the more acceptable the better they are distributed over time and between the different socio-economic groups.

The essential problem posed for the coming year is the maintenance of a substantially lower rhythm of growth of private expenditure than that of gross national product. Only in this way will it be possible to freeze the necessary resources to enable the additional investment and export effort to be made. To this end the expansion of all money incomes must be slowed down, in order to avoid adding to inflation and the disequilibrium of the balance of payments. This objective can only be obtained where the social partners indulge in a constructive dialogue.

A possible way of reaching agreement between them might be if income restraint was accompanied by social measures. Various steps can be envisaged according to the specific situation of each member country. A special effort should be made in certain countries to bring all the various forms of wealth, in particular housing, within reach of all sections of the population. Such a move could well strengthen the propensity to save of households.

The number of workers in danger of having to change their jobs will be noticeably higher than in the past. The aim should be to safeguard employment by improving the flexibility of the labour market, rather than preserving jobs which are no longer productive. To this end, the infrastructure can be considerably strengthened

where the situation arises, as well as expenditure on retraining of labour. It is above all during the period of readaptation that the worker should be guaranteed a level of income not too far below that which he previously enjoyed. This highlights the importance of schemes for maintaining a substantial portion of incomes during retraining. At a time like this, when the level of training and retraining required is expected to increase, Member States should be prepared to increase the effectiveness of the Social Fund.

In the member countries, where unemployment benefits only represent a small fraction of money incomes, the amount available for this purpose will have to be improved. In any case, community solidarity must help to prevent a flow of labour back to Italy and Ireland, where the employment problem is already at its most acute.

A differentiation of actions is certainly necessary, as regards conjunctural policy. Against a background of close coordination this must take account of the initial situation and the outlook in each member country. Inside the Community one can, indeed, distinguish two groups of countries according to their external payments situation and their inflationary tendencies. The first group comprises Germany and the Benelux countries, whose current accounts in 1974 will be in surplus or close to equilibrium, despite a sharp deterioration. The second group comprises the other countries (Italy, the United Kingdom, Denmark, and to a lesser degree, France and Ireland), which will have to cope with heavy deficits on their external balances and very rapid price increases.

WHAT TELEVISION DOES TO HELP THE CONSUMER IN GERMANY

In order to encourage the flow of information within the Community, we have asked various television programme producers to tell us briefly what each television network broadcasting in the Community does to help consumers.

The text below was sent to us by the Bavarian network of the ARD (Arbeitsgemeinschaft der Öffentlich-rechtlichen Rundfunkanstalten der Bundesrepublik Deutschland).

x x
x x

Since their establishment the associated television networks forming the ARD have included programmes in their transmissions, at both national and regional level, devoted to consumer protection. A wide range of transmissions, from programmes on a large-scale to magazines, is devoted to consumer information. Programmes addressed specifically to the consumer have also recently been instituted. These take the form of film sequences, offering legal, financial and technical advice.

A financial adviser has the special task of aiding savers, tenants, pensioners and taxpayers, to economise. Stress is laid on the practical aspect of the information provided and the programmes invite consumers to be more selective when buying. In the "teletests" the adviser describes the results of tests carried out by the "Warentest" foundation.

A technical adviser informs the consumer as to the use and potential hazards of products, and their usefulness or irrelevance. The consumer's critical sense is developed and extended to include environmental protection.

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The legal adviser informs the consumer of his rights. He explains the wording and limits of text, which is favourable or unfavourable to the consumer, and warns him against unfair practices.

Two advisers on health and education also deal with these problems from the angle of consumer protection.

According to a poll carried out by a public opinion research institute, the advisers' programmes have been favourably received by consumers and attract an audience comparable to those of more than one successful variety show. In 1973 the producers were awarded the German television "Bambi" prize by the review "Bild und Funk". The gold medal of the International Festival of Films for Consumers as awarded, also, to the legal adviser.

Programmes are televised on the national network every Sunday between 10.45 and 11.30 a.m. and are repeated the following week on the third channel of the regional network.

"Reisemagazin" is designed for tourists and holidaymakers, and is intended to give viewers the ability to judge. Its sub-title "Information and Advice" clearly indicates that the programme provides practical advice and warnings, as well as the results of tests.

In addition to programmes in the "Ratgeber" series, which have been televised since January 1971, the economic review "Der Markt" has for a long time helped to inform the consumer of the many economic "facts of life" presented on each programme in the form

of films, animated cartoons, interviews and commentaries. Studios at Baden-Baden, Hamburg, Cologne, Munich and Saarbrücken take it in turns to televise this programme on Saturdays at 4.45 p.m.

x

x x

The ARD's 10 regional studios transmit their own programmes between 6 and 8 p.m. These consist of news magazines, consumer flashes and variety shows. The subjects dealt with are extremely varied: local politics, and economic, social, scientific, technical, cultural and sports affairs that concern the region. Consumer problems are dealt with in different ways, and as they relate to every day life in the region. The length of these consumer programmes varies, depending on topical requirements.

The Bavarian regional network, which has a potential viewing audience of 10 million, produces a monthly magazine for consumers lasting some 20 minutes. This programme is heard by 30% of the audience, even when it has to compete with a star film presented on another channel. Bavarian television also produces two other consumer information programmes "Ferien und Freizeit" and "Rückspiegel", each lasting approximately 20 minutes.

THE UNION OF INDUSTRIES OF THE EUROPEAN COMMUNITY

Set up in 1958, soon after the entry into force of the Treaty establishing the European Community, the Union of Industries of the European Community (UNICE) is the authorized spokesman for the whole of industry in the Common Market countries vis-à-vis the Community institutions and European public opinion. By its activities and work, UNICE encourages national circles to think and to react with a proper awareness of the existence of the European Community and of its growing influence on the economic and social situation in each Member State.

UNICE's role

UNICE is a liaison and representational agency composed of the main industrial federations of the nine countries of the EEC and those of eight other European countries which take part in the Union's work as associate members. Its basic task is to adopt a position, on behalf of its members, on all the problems raised by the progressive unification of Europe. It has a triple role:

- (i) vis-à-vis Community institutions, it is the spokesman of industry and, more generally, of employers. It coordinates their views and ensures that they are given due consideration.
- (ii) vis-à-vis industry, and its organizations and undertakings, UNICE seeks to develop a better understanding of European problems and better awareness of the opportunities offered by the Common Market.

(iii) vis-à-vis the employers' organizations of third countries, it represents European industry.

In its endeavours to defend and promote industry's views, UNICE's aim is to make a constructive contribution to the effective achievement of economic union and social harmonization. It consistently urges, therefore, that while taking account of national political and economic realities and the essential requirements of industrial development, European leaders should adopt without delay the political decisions required for economic unification.

The position adopted by UNICE

UNICE, like all its member federations, is against measures of the directive type. It does admit however that action has to be taken at both Community and national level to facilitate the adjustments made necessary by the establishment of the Common Market, and the speed up in technological development. With a view to establishing a solid and competitive industrial structure, it recommends that common policies be defined in a number of essential areas.

In particular, UNICE supports the implementation of a regional policy, plus the creation of a regional fund with sufficient resources at its disposal, and of a regional policy committee.

In UNICE's view industrial policy should aim at creating conditions likely to favour the optimal development of industrial activity. While concentrating on energy, research and environmental problems

it should respect industry's essential needs, especially freedom of choice and freedom of decision for the industrialists themselves.

These are the same principles which inspired UNICE's action for the implementation of the rules of competition laid down in the Community Treaty. UNICE argued that they should be interpreted in terms of the need to establish a solid and competitive industrial structure. It takes the view that to meet more closely the practical needs of business, and whilst maintaining competitiveness, trends towards concentration and cooperation among firms should be permitted and even encouraged, so as to allow them to face up, under better conditions, to similar trends in third countries.

UNICE advocates a progressive harmonization of company law in respect of both structure and fiscal provisions, and obligations of a social character.

In all of these areas, UNICE, to facilitate integration, encourages greater flexibility in the controls which States intend to retain, especially over transport, the production of nuclear energy and the development of foreign investment. It has always paid particular attention to the position of small and medium-sized European industrial undertakings, the fate of which is of decisive importance for the economic, regional and social future of Europe.

The positions adopted by UNICE are general in character, since the various industrial sectors working in close liaison with it, and affiliated to member federations at national level, are responsible for drawing up their own documents and records.

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This survey of the numerous problems dealt with by UNICE, and of the basic principles guiding its activities, illustrates the role played by UNICE in the past and which it continues to play today. It is now making a special effort to define common positions of fundamental importance for the various aspects of European integration, and to use its influence to ensure that new specific achievements herald the progress of this process of integration.

RECENT DEVELOPMENTS IN CONSUMER PROTECTION IN BELGIUM

We have asked various organizations in the Community responsible for consumer protection to supply us with details of the latest developments in each of the Nine on subjects of direct interest to consumers. It should be understood that these articles are the sole responsibility of their authors.

The following text was sent to us by the Fédération belge des Coopératives.

The effects of the energy crisis

In addition to conflict between the public and private sectors, the energy crisis in Belgium has also sparked off discussion within the various consumer associations represented on the Consumers' Council. Three of these, UFIDEC, la Ligue des Familles and Test-Achats, called a press conference to ask for consumer representation on both the future Control Committee for the Petroleum Sector and the Control Committee for Gas and Electricity. Other organizations, including the various Belgian cooperatives, sent a memo containing the same demands to the minister forming the new Government.

They were unable to obtain satisfaction on this point.

Moreover, the new Government's announcement was much more reticent than the one previous to it, as far consumers' interests were concerned.

Further debate at institutional level

The Consumers' Council has decided to study the "Institutional consumer policy methods" and to produce an Opinion on it. This Opinion will prove to be particularly important for Belgium's entire consumer protection policy, since all the consumer organizations will have to reach agreement on the institutional structure to be given to their activities.

It has already been decided that the Opinion will cover various subjects, including:

establishment of a Directorate-General for Consumer Affairs within the Ministry of Economic Affairs;

a Secretary of State responsible for consumer interests;

a judiciary for economic matters;

a Technical Institute for consumer affairs;

possible reform of the Consumers' Council;

a consumers' Ombudsman.

Priorities have still to be established, since these possibilities are not all necessarily compatible in their various forms.

Other interesting developments

The Women's Cooperative Movement (Mouvement coopératif féminin) has proposed that INFOR-FEMMES should add to its legal, matrimonial, psychological and other advisory services a round-the-clock

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telephone service for consumers. The person running this service would have access to the results of tests and studies published in Belgium and France over the past three years, by consumer bodies and constantly brought up to date. Magazines, newspapers and consumer movements in general lay stress on the protection of consumers as a whole. The new service is unique in offering practical advice, thus making it possible for the individual consumer to defend his rights.

Two large Belgian cooperatives have joined the DISTRIMAS company so as to carry on large-scale distribution to compete alongside two giants in this field. Will this step, which has been strongly criticized in certain circles, prove to be a meeting of extremes as some claim? Will the Socialist and Christian cooperatives be able to instil new life into this sector? Or succeed in improving its moral standards, so as to bring them into line with those which, like other consumer organizations, they have always advocated? They are certain that they will, and they ask for six months in which to prove it.

It must be admitted that the programme outlined is not lacking in interest. Here are some passages from the "Agreement on a commercial policy for consumers":

"Products shall be fit for consumption, meet given standards of quality, and be sold at the most equitable prices.

Analyses shall be carried out by independent laboratories at regular intervals to ensure that producers are observing quality standards. DISTRIMAS will attempt to lay on producers the burden of proving that these analyses have been carried out.

Products distributed shall be accompanied by clear and complete information as to price, contents, use, and period of conservation.

Advertizing shall be fair and truthful. It should enable consumers to form a full and accurate judgment as to the products.

Consumer groups shall be formed around each sales outlet.

Such outlets shall make every effort to provide their customers with facilities to help them protect their interests as consumers (a room for meetings, or a meeting place).

To ensure that the general policy outlined above is properly carried out, every supermarket shall appoint a member of staff, to be responsible for problems affecting consumer interests."