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\*\* MANUFACTURERS OF GLASS CONTAINERS have just been forbidden by the Commission from continuing to operate an understanding WHICH WAS CONTRARY TO THE INTERESTS OF CONSUMERS.

Details will be found in ANNEX 1.

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

ANNEX 2 is an Article on WHAT TELEVISION DOES TO HELP THE CONSUMER IN IRELAND.

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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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\*\* By highlighting the Community's overdependence on imported oil, the recent oil crisis and the resulting vicious rise in the price of oil products has shown the need for a long-term European strategy which will permit basic changes in the energy supply structure. The European Commission has just put forward a proposal to the Council of Ministers for the adoption of a joint NEW ENERGY POLICY STRATEGY.

ANNEX 3 gives a short summary of this proposal.

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

ANNEX 4 is an article sent to us by the DANISH organization, "Statens Husholdingsråd".

\*\* At the meeting of Ministers of Education of the Community on 6 June significant progress was made in respect of implementing A EUROPEAN EDUCATION POLICY. The Council of Ministers pronounced in favour of proposals for the mutual recognition of qualifications (see I&S No 10/74) which has been put forward by the European Commission. The Council hoped that recognition procedures would be flexible, as this would allow faster progress to be made in setting up a European system of recognition of qualifications. The Council believes that in order to achieve this objective Consultative Committees, which

would include representatives of the teaching world, should be established and that lists of qualifications considered as being equivalent as such should be drawn up. For their part, the European Ministers of Education agreed to cooperate closely in the field of education, particularly in a number of priority matters (education of children of migrant workers, educational documentation and statistics, mobility of teachers, students and research workers, teaching of languages).

\*\* About 33 million West European trade unionists were represented by various Community trade union organizations at the first congress of the EUROPEAN CONFEDERATION OF TRADE UNIONS held in Copenhagen at the end of last month. The resolution adopted by the European trade unionists at the end of the congress particularly emphasizes the need for European society to achieve democratic planning and control of economic development, and to ensure that the benefits of growth accrue to the population and workers in a manner related to their individual and collective needs. The European Confederation of Trade Unions also stressed that the basic objectives of an overall, coherent European policy should be: full and better employment in all regions of the Community; equality of opportunity and equal social rights for foreign workers; the abolition of all discrimination between men and women in respect of work, recruitment and pay; the humanization of urban and industrial life, and effective counter-inflation measures.

\*\* Under the Regulations currently in force, anyone crossing a boarder from one Community country to another by car should in principle DECLARE ANY REPAIRS THAT HAVE BEEN MADE TO HIS CAR

in the country from which he has come. Failure to declare such repairs might lead to the imposition of a fine since spare parts imported in this way are subject to taxation. The European Commission is at present examining the most appropriate solution to this unfortunate situation in which inhabitants of the Community are still obliged to declare such repairs, even if these have been due to events beyond their control, e.g. an accident or a breakdown.

\*\*At its meeting on 10 June the European Community Council of the Ministers for SOCIAL AFFAIRS is due to give its decision on several proposals put forward by the European Commission:

use of the European Social Fund to help workers moving from one place of work to another within the Community (see IRT No 209);

establishment of a general committee for safety at work;

approximation of the legislation of Member States in respect of mass dismissals (see IRT No 182).

In a later issue we shall be publishing the decisions taken.

\*\* The European Commission has just proposed to the Council of Ministers that the Community should sign the EUROPEAN CONVENTION FOR THE PROTECTION OF ANIMALS ON STOCK FARMS. The Council of Europe is currently working on a draft of this Convention, which will apply to the feeding, care and housing of animals, particularly those in modern intensive rearing units and its chief aim will be to ensure that animals do not suffer in any way.

\*\* The objective assessment of risks that may result from the use of pesticides is a very lengthy task. A great deal of information is available on measured levels, but it would still be appropriate for the Community to dispose of an organization which would supervise these levels in respect of water, air and soil as well as foodstuffs, with a view to obtaining more comparable and representative results. This was the conclusion reached at a colloquim on the PROBLEMS RAISED BY THE CONTAMINATION OF MAN AND HIS ENVIRONMENT BY PESTICIDES, which was organized by the European Commission and held in Luxembourg on 14-16 May.

\*\* Following the recent scandal in Italy when the press revealed that the Italian Consumers Union (UNC) had received financial aid from Industry and Commerce, THE UNC HAS BEEN PROVISIONALLY DROPPED FROM MEMBERSHIP OF THE EUROPEAN BUREAU OF CONSUMERS UNIONS (BEUC) with headquarters in Brussels. BEUC took the opportunity to reaffirm the need for all consumer organizations to guarantee their total independence whether from commerce, industry, trade unions or cooperatives.

KEEPING TO COMPETITION RULES - A MATTER FOR CONSUMERS

When a consumer buys a bottle of mineral water or medicine, a jar of sweets or a pot of jam he probably does not realize that in paying for the goods he is also paying for the packaging. But the informed housewife knows very well that different types of packaging can mean a significant variation in the price of the same product. At present glass containers (sometimes returnable but more and more often "one way") are used for a large number of food products, drinks, pharmaceutical preparations and cosmetics, etc. Within the Community these glass containers are manufactured by a few large, powerful industrial groups which, for several years now, have been practising a sort of "code of fair practice" which ensured that they could fix prices throughout the Community at a sufficiently uniform level to avoid competition between them becoming too sharp. This agreement between the large European manufacturers of "hollow" glass therefore worked to the detriment of the European consumer and was thus a contravention of the Community regulations on free competition. The European Commission has just condemned this agreement and has ordered all the participants to put an end to it immediately. However, in this case the Commission has abstained from imposing a fine because this is the first time that the kind of restrictions noted have been the subject of a Commission decision, and because their character as breaches of the Treaty was not evident for the enterprises in question.

The main object of this agreement was to ensure that a glass container manufacturer who was party to the understanding, should not offer prices lower than those of another manufacturer, when

supplying goods within the "natural catchment area" of the latter. European customers, i.e., manufacturers of foodstuffs, drinks, etc., therefore were not in a position to choose the supplier who offered them the best price since, if they turned to a German, Belgian or French producer they were unable to obtain better quotations than those offered by the manufacturer in their own country. Meetings held at intervals enabled these industrialists to come to an agreement to practice only "fair competition" which enabled them to divide up the market and dictate common standards, prices, and conditions of sale or delivery to their customers.

In general, the measures taken by the European Commission which provide for checks on the implementation of competition rules by European industrialists directly affect consumers, since their object is to counteract the effect of industrial combination, producers' agreements or company mergers on the market for the products both as regards price levels and the range of choice. Thus, the interest taken by the European Commission and Community authorities generally with regard to consumer protection is seen not merely in proposals and decisions at European level for informing the consumer about, and protecting him against, unfair sales practices or misleading publicity. Competition policy, like most other Community policies, has important implications for the consumer even if he is not always aware of the fact.

The legal jargon of economics may speak of "abuse of dominant position", "concerted practices", and "unlawful agreements", etc., and for the European consumer these terms seem to be far removed from his daily concerns. However, the fact that the Commission has the right to forbid, and condemn, and to impose fines on some



companies, and that it uses this right, is not unimportant for the man in the street. In European industry there is a tendency to concentrate into larger and more powerful industrial units. Thus the number of industrial combinations per year in the European Community more than tripled between 1962 and 1970. In some Member States this trend towards combination has been such that the 100 largest companies on their own have been responsible for 50% of the turnover of the industrial sector. Whereas this sort of development, which allows industry to re-group in huge competitive production units may be desirable from an economic point of view, it can often have harmful effects for the consumer. Hence a watch has to be kept on the merger phenomenon and special departments of the European Commission have been made responsible for doing this.

After holding an enquiry the Commission is therefore empowered to forbid and condemn certain types of dealings which are contrary to the general interest. For instance, in 1972 the Commission fined the leading sugar producers of the Community a total of 9 million units of account (1 u.a. = about US\$'1). By operating an understanding the producers had succeeded in dominating the European market and imposing their sales conditions on their customers. This was a veritable sugar cartel which the European Commission dismantled in order to reestablish rules of competition in conformity with the Community spirit.

WHAT TELEVISION DOES TO HELP THE CONSUMER IN IRELAND

In order to encourage the flow of mutual information within the Community, we have asked the various television programme producers to tell us briefly what each television network broadcasting in the Community does to help consumers. The following article was sent to us by Irish television.

Growing affluence is building up increasing public interest in consumer programmes on television. The consumer is pressurized into buying so much that he wants value for money. Who can blame him? Money is hard-earned and taxes are high and the increasing standard of living difficult to maintain.

At RTE, there has always been an awareness of the importance of the public interest. The national station caters for this interest, but it is not as simple as it sounds. Programmers have to be careful because the law of slander and of libel protects the bad as well as the good and the indifferent.

One of the handicaps in dealing with subjects of consumer interest on television is that too often programmes can deteriorate into mere public service announcements. Viewers give such programmes short shrift. A turn of the wrist and they are chasing other fare on different channels.

A regular consumer programme slot in a television schedule is not always the happiest way of dealing with such items. For one thing, it can be very difficult to keep up the standard of interest. At RTE, the programmers get around this particular

difficulty by avoiding the fixed slot. Thus major programmes, from time to time, as the necessity arises, deal with subjects of great public interest. The result is that a serious subject can be treated in a way that is entertainingly instructive at the best and attracts maximum reaction. Presented in a public services sort of way, such programmes would hardly have been noticed.

One of RTE's most popular offerings is "Tangents", a magazine type programme which goes out five times a week. At least once a fortnight it deals with goods people buy in shops and stores. It has covered all sorts of items of consumer interest from cosmetics to the quality of soup.

From time to time, the major current affairs programme, "7-Days", tackles subjects which are of great interest to the consumer field. So far it has examined, not only consumer durables such as cars, but also services, such as those provided by garages. One of its more celebrated programmes was a highly controversial inquiry into money-lending. Other programmes have examined the quality of housing and the service provided by the State for the people.

In common with the other television authorities in the Community, RTE keeps its activities in this field under extensive and careful review, always with an eye to improvement and expansion.

One cannot help thinking, however, that television can do more for the consumer on a Community-wide scale. There should be greater exchange of programmes of interest to consumers and one

dreams of a major programme, going out regularly, and linking all nine members of the European Economic Community, which will show how consumers in all the countries can learn from each other.

A programme such as this could go out quarterly. It would demonstrate the confidence of the Commission in the value of television as a means of uniting the disparate elements of the Common Market.

A NEW ENERGY POLICY STRATEGY FOR THE EUROPEAN COMMUNITY

By showing up the Community's overdependence on imported oil the recent oil crisis and the resulting vicious rise in the price of oil products has shown the need for a long-term European strategy which will permit basic changes in the energy supply structure. The European Commission has just put forward a proposal to the Council of Ministers for the adoption of a joint new energy policy strategy.

1. The long-term objectives

By the end of the century nuclear energy and gas should be the predominant sources of energy supplies.

In the year 2000, nuclear energy could cover at least 50% of total energy needs. Nuclear energy has the advantage of being a secure form of energy since it uses a raw material (natural uranium) which is found in many parts of the world and which, furthermore, can be transformed into fuel in the Member States themselves. It also has the advantages of being easy to transport and store, and of being non-polluting, etc.

Gas (natural gas and synthesis gas based on oil or solid hydrogenous fuel) could cover one third of total energy needs.

Thus by the end of the century the Community could be dependent on coal and oil to cover only approximately one quarter of its energy needs, including the use of certain quantities of oil and coal for gas production.

Non-conventional sources of energy (solar and geothermal energy) will by that time still cover only a minimal percentage of the needs.

2. The objectives for 1985

On the demand side two objectives must be pursued:

- (a) The rate of increase in the use of energy must be reduced without curbing the growth of the GNP. This is possible: a more rational utilization of energy and a reduction in wasteful use should enable internal energy consumption in 1985 to be kept at a level of 10% lower than forecast before the crisis, without the ultimate consumer being deprived of any energy.
- (b) Electricity consumption should be encouraged, without, however, increasing the dependence on oil, so as to ensure that 35% of total energy is consumed in this form (25% at present). This would create a much larger market for nuclear energy.

On the supply side, the objectives should be as follows:

- (a) Nuclear energy could be used for 50% of the electricity production in 1985, so that a total nuclear power-station capacity of more than 200 GWe would be required in 1985 (11 GWe at present).
- (b) Internal production of solid fuel (coal, lignite, peat) should remain at its present level; an increase in supplies should be obtained by importing coal.

- (c) There will have to be a great increase in the internal production and imports of natural gas.
- (d) The consumption of oil will have to be restricted to specific uses (motor fuel and as a raw material). Thus the consumption of crude oil could reach its peak in 1980 and return to its 1973 level around 1985.

Total primary energy needs in 1985 - Community

	1973 (estimates)		1985 (initial forecasts)		1985 (objectives)	
	million toe	%	million toe	%	million toe	%
Solid fuels	227	22.6	175	10	250	16
Oil	617	61.4	1 160	64	655	41
Natural gas	117	11.6	265	15	375	24
Hydroelectric power and others	30	3.0	40	2	35	2
Nuclear energy	14	1.4	160	9	260	17
	1 005	100	1 800	100	1 575	100

The achievement of these objectives will lead to greater security of supplies, i.e., a reduction in the share of imported energy in total consumption from 60 to 40%. After 1985 the exploitation of new sources in the Community (North Sea) will still further reduce the part played by imports from non-member countries in the Community's oil supplies.

The figures given are not estimates but objectives to be revised periodically and adapted to the situation prevailing in each Member State. They must also be incorporated in the other Community policies: environment, external relations, industrial policy, scientific and technical research. As far as the latter is concerned, the Commission has already embarked on a large amount of preparatory work in the field of energy research.

In its document the European Commission also indicates what policies should be followed in order to achieve the redistribution of total energy demand in 1985.



RECENT DEVELOPMENTS IN CONSUMER PROTECTION IN DENMARK

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

The following article was sent to us by the Danish organization "Statens Husholdingsråd".

1. Egg controls

With the help of Danish radio the National Council for Home Economics has carried out a quality control on eggs. The control covered 375 eggs bought in 25 different places. 20% of these eggs did not satisfy the criteria required for classification as category A although they had been sold as such, and should have been classified as category B. The variation is 13% higher than that permitted by law.

In addition, 60% of the eggs were not stored in the shops' refrigerated cabinets although in the last few years much effort has gone into installing a "cold chain" which covers the whole transport and storage system from producers to packers and thence to retailers. Retailers are now required to store eggs in refrigerated cupboards.

## 2. Consumer offices and associations

Representatives of many consumer offices and associations have toured the country during the past year. It often turns out that a consumer office is supported by an organization whose object is to educate the consumer and which therefore has competent staff available to answer specific questions, to give advice, etc.

Increasingly, the consumer associations are dealing with problems of general interest which concern the consumer and it has therefore often happened that associations, working with the support of local newspapers, have raised problems of importance to the consumer, for example, misleading publicity, warnings to firms which publish advertisements promising exaggerated profits, etc.

The consumer associations and offices are to a large extent dependent on the expert opinions of the Consumer Council and the National Council for Home Economics and many complaints stated by the associations or offices lead to the establishment of complaints offices in various industries.

## 3. Insurance Complaints Office by 1975

The Chairman of the Danish association of insurance agents announced at a meeting that negotiations were under way with the Consumer Council with a view to establishing an Insurance Complaints Office. It is planned that this office will be in operation in 1975 and that consumers and companies will be equally represented.

#### 4. Measures against superfluous products

The Nordic Committee responsible for consumer problems has decided that its Secretariat will draw up a list of examples of products (goods or services) which can be considered as useless or bad from the consumer's point of view. In this case the object of making up this inventory is to formulate proposals for measures to combat the marketing of these products. Thirteen Danish organizations, including the National Council for Home Economics and the Consumer Council, have been invited to participate in this campaign by furnishing examples for the "black list".