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European transport policy

What with higher petrol prices and the crisis in the car manufacturing industry, the transport problem is on the agenda. At the end of November the Council of Ministers is due to make a decision concerning the aims and methods to be used in a common transport policy, proposals for which have been forwarded by the Commission. Speaking to the European Parliament, Mr Scarascia Mugnozza, Vice-President of the European Commission, emphasized that the common transport policy was beginning to emerge from the doldrums. Contacts between the European Commission and the other Community institutions and Member States had shown that there was overall convergence between the different concepts for drawing up a Community transport system and that this was reflected in the form proposed by the Commission.

Annex 1 is a short summary of this proposal.

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Environment and the iron and steel industry

In modern steel works it is possible to reduce water consumption to two or three cubic metres per ton of steel, compared with 70 m³ in 1953. Similarly, the figures for particles in suspension and waste iron from a steel works were previously as high as 40 000 to 50 000 kg a day and this is now reduced to 1 000 to 2 000 kg. But much effort and investment is still required in order to introduce measures to counteract noise, and air and water pollution for which the iron and steel industry is responsible. This was the main point to emerge from the teach-in on "Environmental quality and the iron and steel industry" which the Commission held in Luxembourg on 24 and 25 September.

Annex 2 gives a brief account of the meeting.

European Parliament

During its last session the European Parliament delivered its opinion on several Commission proposals including:

(1) European Centre for the promotion of vocational training (see I&S No 13/74)

The Parliament has come out very much for establishing such a centre whose primary role should be to supply the Commission with results of work that would be likely to provide a stimulus for further action by the Commission. As its own facilities are relatively small, the Centre should use existing facilities in Member States and organize and finance defined pilot operations whose results should be disseminated to all interested parties, with the aim of encouraging similar action throughout the Community.

(2) Signing of the Paris Convention for the prevention of pollution of the seas arising from land-based sources (see I&S No 9/74)

The European Parliament has invited the Council of Ministers of the Community to decide that the Community as a body should accede to the Convention, and hopes that the Community will participate in similar conditions in future conferences and conventions on the pollution of the Mediterranean.

(3) Common transport policy (see Annex 1 of this issue)

The European Parliament believes that such a policy must contribute towards creating the right conditions for economic and monetary union.

Multinational firms

As a result of the European Commission's paper on multinational companies (see I&S No 16/74) and in order to fill the need for information which debates on this paper highlighted, particularly those in the European Parliament, the Commission's departments have undertaken their first enquiry with all the multinational companies. In spite of their importance in the world economy it is not known exactly how many of these exist, nor exactly what are their activities and structures.

Social Fund - Balance Sheet

In 1973 the European Social Fund received 90 requests for financial aid from Member States of the Community. The 13 requests for aid to workers leaving agriculture or to textile workers accounted for very much less than the Fund's budget availabilities (68.8 million units of account - 1 u.a. = approximately US \$1 - for 1973). All requests were taken up, making a total of 28.1 million units of account for 1973, and 10.1 million u.a. in the form of authorized commitments for 1974 and 1975. The 77 requests made with a view to correcting the imbalance between the supply and demand of manpower in declining regions and undertakings, or promoting the employment of handicapped persons, older workers, women and young workers amounted to a total of 327.9 million units of account. These requests far exceeded the budget appropriations and, by reducing the sums requested, it was possible to accept 74 of them. The amount available for 1973 was all attributed (158 million units of account) and 59 million units of account were committed for the next two years. In granting aid, priority was given to the least favoured regions, so that Italy, Ireland and the United Kingdom were the principal beneficiaries of the European Social Fund.

Action against poverty

In order to implement action against poverty on a European scale, the Commission organized a seminar last June to which it invited specialists with experience of this type of problem. About 60 experts attended (see I&S No 26/74). These consultations were very profitable, and as a result the Commission will be able, before the end of the year, to forward proposals to the Council of Ministers for the establishment of pilot projects. It will therefore be possible to start these actions on anti-poverty projects next year.

Enquiry into the labour force

In order to have at its disposal comparative statistics for the nine Member States on the level and trend of employment and unemployment, and on vocational training, conditions of work and occupational mobility of workers, the Commission has just forwarded to the Council of Ministers a proposal aimed at organizing a sample enquiry into the labour force in 1975. This enquiry is a follow-up to those held in 1960, from 1968 to 1971, and in 1973.

Safety of motor vehicles

In the answer to a written question by a Member of the European Parliament on the lack of specific information supplied by the manufacturers on safety devices in motor vehicles, the European Commission states that it is, of course, in favour of vehicle manufacturers placing as much emphasis as possible on safety factors in their advertizing material. However, the action undertaken by the Commission to approximate the legislation of Member States is strictly limited to those measures necessary to ensure the free movement of products, a field which is not at present regarded as including regulations on advertizing material. As concerns Community directives aimed at increasing the safety of motor vehicles, the Commission recalls that it is the responsibility of the governments of Member States to adopt the relevant laws or regulations to conform to Community provisions.

Textile research

The Commission has just proposed that the Council of Ministers should adopt a programme of technological research in the textile sector. On the basis of a research programme established by the Coordinating Committee for the textile industries of the EEC (Comitextil) the Commission has approved three subjects for research:

- (1) Treatment of textiles in an organic solvent medium: the chief aim of this research programme is to reduce the volume of waste water and lower energy consumption and it should contribute towards the counter-pollution drive.

- (2) Fire-proofing of textile fibres by radiation grafting: this research programme mainly covers furnishing fabrics and night-wear and is of direct interest to consumers.
- (3) Heat treatment of chemical fibres: this study will lead to better understanding of the behaviour of synthetic fibres which, at present, make up two-thirds of industry's consumption of textile fibres.

The Commission emphasizes the need for coordinating research in the textile industry on a European scale in order to maintain the technical and technological lead of the Community's textile industries in face of the increasing competition of non-member countries.

Consumer protection in Denmark

In the last few months in Denmark, several events have occurred on the consumer protection front:

- (1) From 1 December, the working week will be reduced by $1\frac{3}{4}$ hours to 40 hours a week. In several Danish cities, the possibility of all shops closing on a Saturday has been considered, but in the end it was decided to allow firms to choose between closing on Saturdays or applying a rota system of one week day off for their staff.
- (2) There has been an intensive debate in Denmark over legislation concerning selling on public thoroughfares (in certain shopping streets, particularly those reserved for pedestrians only). Street vendors will be allocated five sites, but they will not be allowed to install themselves there for several consecutive days.
- (3) Consumer prices for semolina and flour have increased out of proportion to the rise in cereal prices. Danish consumers can therefore expect a considerable decrease in the price of these products from 1 October 1974.

- (4) As consumers complained that they had not benefited from the general price fall in the beef and pork sector, the Prices Council examined the pricing structure for meat. It concluded that butchers had profited quite legally from the situation in order to hedge against the increase in certain costs, in particular wages.

European TV channel

The creation of a European television channel would raise difficult problems in the field of international and national law, as well as serious technical difficulties. In these circumstances the Commission feels that such an initiative would be premature and prefers to concentrate its efforts on improving coverage of European and Community topics on the existing national television networks.

Iron and steel research

Thirteen research programmes on iron and steel techniques will share financial aid of almost 6.3 million units of account (1 u.a. = approximately US \$1) from the European Coal and Steel Community (ECSC) if the Council of Ministers adopts the European Commission's proposal. The thirteen projects were approved either because they come under the heading of applied research, because their aim is to perfect new processes, or because they are a follow-up to research already in progress.

Temporary workers

In the near future the Commission intends to invite the Council of Ministers to adopt a Directive concerning the protection of temporary workers. The proposal is the result of a detailed examination of this question, in which both sides of industry were consulted.

European transport policy

A better quality of life for Europeans requires a European transport policy. Between 1963 and 1970 the number of cars in the Community as a whole and the number of passenger/kilometres covered by private cars roughly doubled. The overall volume of goods traffic for the original Community increased by 42% between 1963 and 1970. However, this expansion in transport poses several problems for the Community:

- (1) To begin with the existing inequalities between the various national bodies of legislation on transport methods and enterprises are likely to grow as transport expands;
- (2) In addition expansion in transport brings congestion problems on some particularly busy access roads;
- (3) Finally, the increasing scarcity of natural resources demands a new approach to transport problems, and greater protection for man and the environment shows itself to be more necessary than ever.

In view of this situation the European Commission, in October 1973, forwarded to the Council of Ministers a paper indicating the guidelines for a common transport policy. At the end of November the Council is due to make a decision on this proposal whose aims are:

- (a) To establish Community transport regulations calculated to fulfil the requirements of economic union;
- (b) To develop and reorganize the Community economic area, in particular in the setting of the regional policy and improvement of the environment;
- (c) To protect the interests of users, transporters and the labour force working in the sector;
- (d) To compare national programmes for investment in infrastructure and to coordinate the projects which are of Community interest in an overall European plan;

- (e) To encourage technical cooperation between the Member States so that all Europeans may have the benefit of new transport techniques;

- (f) To establish a system for apportioning the cost of using the infra-structures, a system which would contribute towards reducing congestion in urban areas and protecting the environment. This system would not, however, prevent the application of other measures, e.g., intervention by public authorities in favour of joint transport.

Within this framework thus established by the Commission, and taking into account the progress already made in harmonizing the conditions of competition, the transport sector will be able to operate freely, which implies the free movement of services, the removal or easing of frontier formalities, freedom of establishment, etc.

Environment and the iron and steel industry

In modern steel works it is possible to reduce water consumption to two or three cubic metres per ton of steel, compared with 70 m³ in 1953. Similarly, the figures for particles in suspension and iron waste for a steel works were previously as high as 40 000 to 50 000 kg a day and this is now reduced to 1 000 to 2 000 kg per day. But much effort and investment is still required in order to introduce measures to counteract noise and air and water pollution for which the iron and steel industry is responsible. This was the main point to emerge from the teach-in on "Environmental quality and the iron and steel industry" which the Commission held in Luxembourg on 24 and 25 September.

In his opening speech Mr Hillery, Vice-President of the European Commission, reminded listeners of the action the Community had already undertaken in this field. The Coal and Steel Community's activities with regard to the industrial environment, which go back many years, integrate perfectly with the objectives of the European Community's environmental protection programme adopted by the Council of Ministers in November 1973 (see IRT No 213).

It might have been feared that the energy crisis would make us forget that priority had been accorded to environmental quality. Mr Ferry, Chairman of the French Iron and Steel Federation and President of the International Iron and Steel Institute reminded listeners that any improvement in the environment required considerable efforts in the form of research and investment. The amounts invested by the iron and steel industry in counter-pollution measures are increasing considerably in all industrialized countries. In 1974 this investment will amount to 18% in the United States and 12% in Germany. Investment in Japan has increased from 4.5% for the period 1965 to 1970 to 15% in 1973. To take one example, environmental protection measures in France represent 13% of the cost of a new coking plant and 15 to 20% of a steel mill.

It is true that research into measures to prevent air pollution is at present well advanced. We must therefore concentrate on the problems of noise and water purification from now on. The steel industry also has to take into

account new developments like the siting of steel works on the coast and the installation of mini-mills near urban areas. In addition, balance-sheets showing the amount of energy required for the purification processes themselves should be drawn up: to increase the percentage of dust particles eliminated from 95 to 99% would require five to ten times more energy. But, in producing this extra energy, is there not a risk of causing more nuisances than it will eliminate?

Participants at the meeting also stressed that counter-pollution measures should be developed at the design stage of any new steel-making equipment, since installing antipollution devices later, on an old apparatus, could cost two or three times more than on the original equipment.

Finally, the solution of technical problems obviously has to take present regulations into account. The regulations themselves must therefore allow for the actual situation in industry and involve only reasonable levels of expenditure. It was therefore necessary to associate, in one and the same effort, public authorities, industrialists and constructors.