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EUROFOCUS wishes all its readers a Merry Christmas and a Happy New Year. Our next issue will be dated 7-14 January 1991.

Mailed from: Brussels X

EUROFOCUS

COURT OF JUSTICE: You can take it with you, if it's beer ...

... Court tells visitors to Denmark and Ireland.

Visitors to Denmark and Ireland can bring in with them, duty-free, no more than 10 and 12 litres of beer respectively. As a result, both countries have been found to be in breach of the EEC Treaty by the European Community Court of Justice, in a case brought by the European Commission.

Under "European law" Member States have the right to restrict the quantity of certain alcoholic beverages that visitors can bring into the country with them. You do not have the right, for example, to take with you more than five litres of non-sparkling wine (four in the case of Denmark). When it comes to fortified wine or sparkling wine the legal limit is three litres - and it falls to a mere 1.5 litres in the case of spirits. Recently the list has been extended, with the addition of sake and a brew made from molasses, known as tafia. Beer, however, is not mentioned anywhere. It therefore is included among those goods whose import is not considered as commercial in nature, provided the value of such imports does not exceed ECU 390* and the goods are for personal, or family, consumption, or intended to be offered as a gift. Any other restriction on such imports is therefore arbitrary, because it would amount to adding to a legal text a product which does not appear in it.

True, both the Danes and the Irish tend to exaggerate, with cars entering the Emerald Isle carrying anywhere up to 120 litres each, and those headed for Denmark transporting up to 500 litres at a time. Even so, this does not justify the restrictions imposed by the Danish and Irish authorities. The Court therefore rejected the arguments advanced by the two countries and their learned calculations, showing that five litres of wine are equal to 13.3 litres of beer. It held that the Community's internal frontiers are open also to the free movement of beer.

* 1 ECU = UK£0.70 or IR£0.77

WORKERS' PAY: Danes earn seven times more than the Portuguese

There are big differences in the earnings of industrial workers in the EC.

A Danish worker earned ECU 11.1 an hour on average in April 1989, while his Portuguese counterpart averaged ECU 1.6 - seven times less. However, living costs vary from country to country, so that in terms of purchasing power standards (PPS) the Portuguese worker earned just three times less. Even so, this represents a substantial difference in living standards, and the figures published by Eurostat, the EC's statistical office, in December show that the Twelve still have a long ways to go before workers' incomes are roughly the same throughout the 12-nation Community.

In terms of purchasing power, six EC countries are above the Community average for industrial workers of ECU 7 an hour. They are Britain, Denmark, Germany, Luxembourg and the Netherlands. But the trend in earnings was not particularly favourable during the first half of the 1980s, with real earnings falling in one EC country out of two. There was an improvement between 1985 and 1989, when wages rose in nine countries. But they remained unchanged in Belgium and Italy and fell in Greece.

Differences within the same country between the various industrial sectors are not as sharp as between EC countries; even so, they average ECU 2 an hour, when they do not exceed this figure. The most disadvantaged sectors throughout the Community are textiles, building and civil engineering. For the rest, the situation varies from country to country. The best paid workers in most EC countries are the miners, but in Britain and Portugal they are the metalworkers and in Luxembourg those in the manufacturing industry.

When it comes to employees, the differences in salary are less marked than in the case of industrial workers. An industrial employee in Portugal earns 5.5 times less than his counterpart in Luxembourg (in ECU terms). In the distributive trade, salaries in Portugal are four times less than in Germany, while in banking 3.5 times less in Portugal than in Luxembourg.

In the Community as a whole employees earn most in industry, with a maximum of ECU 2,429 per month in Luxembourg and over ECU 2,000 per month in Germany and Denmark. Earnings are more modest in the banking sector, with a record of just under ECU 2,200 in

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Luxembourg and just over ECU 1,900 in Britain and Belgium. As for those employed in the wholesale and retail trade, they must content themselves with a maximum of ECU 1,540 in Germany, and between ECU 1,400 and ECU 1,500 in Britain, Belgium, Luxembourg and the Netherlands.

Employees in the distributive trades, and more especially in the retail trade, have been hit twice over. Their real earnings are lower and, what is more, have risen more slowly; the trend was even downwards in France, Greece and the Netherlands. Britain has been the only exception; here those employed in the retail trade have seen their salaries rise faster than those of their colleagues in the other sectors.

But there are differences between the earnings of men and women also, and they are to be found in all Community countries. They are due to differences in not only qualification and age but also to discrimination. In industry, the gap is widest in Luxembourg, where men's average earnings are 1.6 times higher than those of women. In the distributive trades and banking it is widest in Britain, with men earning 1.8 and 1.9 times more respectively than women. The most "egalitarian" countries are Denmark in the case of industry - men's earnings are only 1.18 times higher than those of women, Greece (the distributive trades) and Portugal (banking).

* 1 ECU = UK£0.70 or IR£0.77

UNEMPLOYMENT: Unchanged in October ...

... when it stood at 8.4% for the EC as a whole.

The level of unemployment was unchanged in October at 8.4% for the 12-nation European Community as a whole, according to Eurostat, the EC's statistical office. There has been no change since June.

However, unemployment has fallen in the Community in the 12 months since October 1989, when it stood at 8.7%. It has risen in the United States over this same period, from 5.3% to 5.7%, but has remained stationary in Japan.

COURT OF JUSTICE: No customs duties for forgers

As counterfeit money is not merchandise, its import cannot be subject to either customs duties or VAT.

The case before the European Community Court of Justice this December must have offered the judges comic relief. Mr Max Witzman had been given a jail sentence on February 16 for dealing in counterfeit money; it had been established that he had imported forged U.S. dollars into Germany from Italy. The German customs authorities promptly took the opportunity to ask Mr Witzman to pay both customs duties and VAT on the merchandise in question, on the grounds that its Community origin was not proven.

Mr Witzman fought back from his prison cell. He argued before the appropriate tax tribunal that the collection of customs duties and VAT on imports was contrary to the Treaty of Rome. To find out whether or not customs duties can be levied on counterfeit money, the tribunal turned to the EC Court of Justice.

The short answer is No. And what if the forged dollars have come from a non-EC country? The answer still is No. Counterfeit money is covered by an international convention for the repression of forgers, which all Member States have signed (with the exception of Luxembourg). It bans the manufacture, possession, import and marketing of counterfeit currency, whether national or foreign, in all the Member States. It follows, therefore, that there is an absolute ban on the import and distribution of counterfeit money, which itself cannot be subject, therefore, to any form of taxation.

This ruling does not prejudice in any way the competence of Member States to pursue and punish violations of their national legislation on counterfeit money, with all this implies, even in financial terms.

TRANSPORT: Europe in top gear

The European Commission proposes to the Council a network of high-speed trains.

Breakfast in London, lunch in Paris and dinner in Frankfurt - all in one day and while travelling by train. A dream? Not really. And not for much longer. It will soon be possible to do by train what can only be done by aeroplane at present, and to do it comfortably, economically and safely.

This is how the European Transport Commissioner, Karel Van Miert, spoke recently of the work done by the expert group for the development of a European network of high-speed trains. Its work in fact has enabled the Commission to draw up a proposal for the EC Council of Ministers, covering the adoption of a master plan for European high-speed trains, the identification of actions to be taken on a priority basis and the continuation of work aimed at ensuring the compatibility of both equipment and infrastructure.

Around the year 2010 the master plan will include 9,000 km. of new lines, 15,000 km. of existing lines which have been strengthened to take high-speed trains, and 1,200 km. of rail links between the main lines. Trains will run at speeds of over 250 km./hour, and up to 350 km./hour, on the new lines, and at speeds of over 200 km./hour on the lines that have been relayed to accommodate the new trains. The journey between London and Frankfurt will take five hours, that between Paris and Rome seven.

To achieve this the Commission has also sent the Council a list of 15 key links, which have not been made or programmed. They are located in border areas for the most part, and are essential for the smooth operation of the network. Mention must also be made of the substantial progress in the field of technical compatibility, which could give birth to common equipment, baptized STEP (Speed Transport European Product). It could be used anywhere on the network and could be offered on the world market.

It's now up to the Council to press ahead ... in top gear.

LITERATURE: The first European prize for literature rewards originality...

... and the first prize for translations crowns 25 years of work.

Many who know French are familiar with the novel "Lac", written by Jean Echenoz and published by the French firm Minuit in 1989. Now that it has won the first European literary award it is to be hoped that this false spy story, written in a style all its own and full of a very personal sense of humour, will be read from London to Athens and from Dublin to Lisbon. This, after all, is the aim of the new prize, awarded in Glasgow, the 1990 cultural capital of Europe, on November 26, with the financial support of the European Commission.

"Lac" will certainly present its translators with problems and perhaps result in one of them being awarded the European prize for translations. This prize, too, was awarded for the first time on November 26. It was won by Britain's Michael Hamburger, for his translation of the works of the Austrian poet, Paul Celan. The translation, which represents 25 years of work, was published by Anvil Press in 1988.

The two prizewinners received ECU 20,000* each. The two juries which awarded the prizes were made up of writers, in the one case, and translators in the others. Nominations for the prizes were received from all 12 Community countries.

* 1 ECU = UK£0.70 or IR£0.77

SMEs: The European Commission wants to do more ...

... to help companies prepare themselves for 1992.

The single market is drawing closer. In order to enable small and medium-sized enterprises (SMEs) prepare for it adequately and in good time, the European Commission has found it necessary to add a new dimension to the European enterprise policy carried out so far. It proposed to the Twelve at the end of November to strengthen and expand the services already on offer to SMEs in a Community framework. They include the network of Euro-Info-Centres (EICs); the Business Cooperation Network, BC-Net, which promotes cooperation between companies, and Europartenariat. But

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the Commission is also planning to launch new services, in marketing, the training of managers for the single market and statistics. All this costs money, of course, so that the Commission is asking the Twelve to release ECU 25mn.* from reserves, to be added to the ECU 110mn. granted by them in July 1989 for the Community policy in favour of SMEs.

The Commission wants to improve the services offered by the 195 Euro-Info-Centres. These business information centres are to be found in all 12 EC countries and are located in the offices of bodies such as chambers of commerce and the regional development agencies. Some of the centres have been in existence for three years now, while others were set up very recently. Together they have answered more than 100,000 questions from SMEs on the European Community in general and the single market in particular. The Commission would now like these centres to (1) distribute more selective information (selective sectorally, regionally and functionally) and (2) provide the Commission with feedback on the aspirations and problems of SMEs.

Under the Commission's new enterprise policy guidelines the BC-Net must also evolve. The network consists of some 460 business consultants located throughout the Community and plays the role of a "marriage bureau" for SMEs in search of technical, financial or commercial partners. The Commission proposes extending the network to consultants specializing in advanced technologies, so as to make it easier for SMEs to take part in Community research programmes and make effective use of the results of such programmes.

Actions undertaken by the Europartenariat enable SMEs located in the Community's disadvantaged regions to find partners in the four corners of the Community. Europartenariat will undertake two actions a year from 1991 instead of one. The Commission is also proposing a somewhat similar programme - INTERPRISE - for border regions.

New initiatives are under study. One of them is Euro-marketing, which would facilitate the spread of marketing techniques throughout the Community, in order to give SME managers additional means for discovering new market segments to exploit. At the level of training, the Commission is thinking of setting up a network of agencies more specifically geared to training managers for the single market. Experiments to this end have already been carried out. Finally, the Commission has in its files a project for the setting up of a European monitoring centre for SMEs. It would provide reliable statistics to companies and European institutions on a regular basis.

* 1 ECU = UK£0.70 or IR£0.77

FOOD: The European Commission proposes two regulations...

... aimed at helping farmers meet consumer demand for quality products.

Encourage the production of quality farm products and foodstuffs through the recognition, at the level of the European Community, of certificates of specificity, regional indications and labels of origin is the aim of two regulations which the European Commission wants the Twelve to adopt.

In the Commission's view the two types of measures should simultaneously help the rural world to produce goods specific to it, especially in disadvantaged areas, and meet consumer demand for quality food.

The first of the two proposals covers certificates of specificity. The aim is to introduce a Community instrument which allows producers, if they so desire, to obtain recognition, at the Community level, of the specific nature of their products. What does one mean by the specificity of foodstuffs? An item of food is considered to be specific if the raw materials which it is made from, or the conditions in which it is produced, are such that it can be easily distinguished from other food items in the same category. The Commission has asked the Member States to set up a control system producers can call on in order to uphold this specificity in a permanent manner.

To begin with, the competent authorities in the Member States are called on to verify the conformity of the demand for specificity introduced by the producer. Then, if the product is recognized as such by this authority, it is listed in a register kept by the Commission, with the help of the Member States. If there is disagreement on the award of a certificate of specificity, the Commission has the last word.

The second regulation provides for a similar system of protection, again at the Community level, for farm products and foodstuffs whose quality and characteristics are due to their geographic origin. If the competent national authority accepts the demand, the product will be protected by means of an indication of its geographic origin or a label of origin, and listed in the register by the Commission.