

ECONOMIC AND SOCIAL COMMITTEE
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INTRODUCTION

A special feature of the 137th Plenary Session of the Economic and Social Committee was the attendance, for the debate on unemployment of the President-in-Office of the Council, Mr THOSS, State Secretary for Labour of the Grand Duchy of Luxembourg. Two members of the Commission also attended the Session : Dr HILLERY, Commission Vice-President, was present for the Committee's Opinion on the Situation of Women, and Mr THOMSON for the Study on Regional Policy.

The opening speech of the Committee Chairman, Mr Henri CANONGE, dealt mainly with institutional matters. Prior to this the Committee's concern about unemployment in the EEC had been emphasized yet again. Some highlights from Mr CANONGE's speech are set out below :

"Now that Mr TINDEMANS has submitted his Report on European Union, the Community is waiting to hear what the European Council has to say on 1 and 2 April.

This shows that superimposing the European Council on the Council of Ministers has not made the institutional system more efficient.

On the economic plane, there has been a certain amount of recovery, but its effect on unemployment has been very slight. This is why the Committee has once again stressed that concrete measures should be taken in this field.

Something we have often said bears repeating. The Community will be unable to continue in being or develop, without the goodwill and support of the public in general and the economic and social interest groups in particular.

If there is not an improvement in the employment situation soon as a result of real coordination of Member State policies, workers will certainly not feel any solidarity with the Community.

So I would reiterate that the role of the Economic and Social Committee, like that of the two sides of industry, trade and professional associations, is a vital one. Community policy cannot be the preserve of select circles of initiates, not even if those circles are the governments and their civil services.

The Treaty set up the Economic and Social Committee in order that there might be a permanent link with the economic and social groups and a two-way flow of information between these groups and the Community institutions.

Our first duty is to ensure that the Committee is always up to its task and shows itself to be so.

Second, the institutions and, standing behind them, the governments, must be convinced of the need to use the Committee.

On the latter point, I should say that we are making constant approaches to the Commission and the Council reminding them of this need.

I must state that the heads of the institutions are very sympathetic to our legitimate concerns. The fact that the President-in-Office of the Council, Mr THORN, and the President of the Commission, Mr ORTOLI, are shortly to attend a Plenary Session is additional proof of what I am saying.

We shall continue to press our case on the institutions, but having said this, we must also consider everything that is within our power to improve our credibility.

This is why the Bureau envisages playing more of a policy role as regards the future and the operation of the Committee".

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137th PLENARY SESSION

The Economic and Social Committee of the European Communities held its 137th Plenary Session in Brussels on 25 and 26 February 1976. The Committee Chairman, Mr Henri CANONGE, presided.

Opinions adopted

1. Unemployment

The Economic and Social Committee adopted by 40 votes in favour, 3 against and 14 abstentions, its Opinion on

Unemployment in the Community.

As there are time lags between economic recovery and its effects on unemployment, and because of the structural changes that are causing unemployment, there is no doubt that, with unchanged policies, most countries of the Community will experience even higher levels of unemployment through 1976 and into 1977. Therefore, faced with this prospect of human hardship, the citizens of every Member Country are asking what their national governments will do. They have begun to ask what the Community itself will contribute to remedy a situation which is international in scope and origins, and for which international remedies must be applied.

The Economic and Social Committee considers that the Council should urge governments to single out the reduction of unemployment as their economic objective requiring the most urgent attention. To this end, governments should immediately work out national targets for the reduction in unemployment levels within a specified time. Measures both to protect existing employment and to create new jobs should be taken, such as :

- advance notification of redundancies;
- temporary employment subsidies to maintain work forces until the recession passes;
- new subsidies creating new employment in the regions needing it most.

The expansion of the construction industry is both quick-acting in employment terms and has a low import content.

The Governments should be urged to provide finance :

- to enable firms to build up stocks;
- to promote investment in industries and occupations directly under their control;
- to undertake investment in public works projects.

Lending policy should be orientated so as to give priority to regenerating the industrial base in Community countries.

The Committee recognizes that the Community as such is limited in respect of its resources and the direct action that it can take. This applies especially to the Social and Regional Funds. The Council should, therefore, ensure that resources are increased in line with the evident needs of several of the Community countries for structural adaptation. To ensure effective coordination of Member States' economic and social policies, the Council should bring the representatives of national governments together more frequently. National policies should be coordinated more effectively than heretofore so as to improve the employment situation and the mutual consistency of national economic growth and balance-of-payments targets.

The extent to which unemployment can be reduced, largely depends on the development of international trade. Within the Community itself, a special responsibility falls on those countries with balance-of-payments surpluses. They should take a lead in expanding their level of demand, by encouraging investment as well as consumption. The Committee thinks that expansion and the provision of jobs can be consistent with policies to control inflation. Promoting investment and employment may carry some risk of a modest rise in some prices, but if measures are not taken now, possible bottlenecks contributing to even higher levels of inflation in the economic upturn, could prejudice long-term economic growth in the Community.

The Committee stresses that its Opinion is a short-term solution and in the long term, a more structural approach to unemployment is necessary. The Committee believes that Community action, of the kind proposed, can reduce unemployment this year, providing governments get together now on a coordinated programme. All of the governments of the Community must resolve to develop means of avoiding another crisis like the one Europe is currently passing through. The Committee earnestly hopes that this initiative will give a lead in the drive towards higher levels of co-operation, the benefits of which will quickly be felt by the people of the Community - and especially by those millions presently without a job.

In conclusion, the Committee takes the view that measures can only achieve their intended objectives, if they are strongly supported by small- and medium-sized businesses, workers, the professions and professional organizations.

Speech by Mr THOSS, President-in-Office of the Council

In his address to the Committee, the President-in-Office of the Council, Mr THOSS, State Secretary for Labour in the Grand Duchy of Luxembourg, first of all thanked the Committee for giving him an opportunity of exchanging views with representatives of the various economic and social interest groups. He felt that this exchange of views would help to make relations between the various Community institutions more dynamic and more human.

Mr THOSS observed that the problem of unemployment had already been considered by other bodies, such as the European Parliament, the Tripartite Conference and the Standing Committee

on Employment. He went on to stress the need to take up again this issue which was of fundamental importance to the future development of the Community and also a test of its social conscience. The current situation was particularly serious in view of the fact that unemployment was now coupled with inflation. This was a new phenomenon. Nevertheless, there were certain grounds for not being too pessimistic. During the crisis there had been a number of initiatives which strengthened confidence in the Community. As examples, Mr THOSS mentioned the Convention of Lomé, the opening of the "North-South Dialogue" and, in particular, the fact that, despite all their difficulties, Member States had resorted to protectionist action on only a minor scale.

Even though there had not been any spectacular measures by the Council and even though real coordination of the steps taken by the various Member States had not been achieved, it had nevertheless to be noted that the debate that had taken place had made it possible to strengthen the armoury of measures for tackling the crisis in the future, particularly on the structural front. This was all the more important since there was still a risk that the crisis would continue. Indeed, it was to be feared that the unemployment problem would not be finally overcome before 1980.

As regards the immediate future, Mr THOSS mentioned the world conference on employment to be held in Geneva in June and the next meeting of the Council of Social Affairs Ministers, scheduled for 29 April, which was to deal with, among other things, the unemployment problem. A new tripartite conference might still be held in June. This tripartite conference would, however, have to be very thoroughly prepared so as to ensure that concrete results could be achieved.

The Economic and Social Committee based its Opinion on material prepared by its Rapporteur-General, Mr BASNETT - United Kingdom - Workers.

2. Situation of Women

The Economic and Social Committee adopted by 43 votes in favour, 10 against and 39 abstentions, its Opinion on the

Economic and Social Situation of the Woman in the European Community.

The Economic and Social Committee stresses that many of the changes occurring within the European society are creating a feeling of insecurity among men and especially women. European women confront daily the problems of the lack of choices, the missing social facilities, and certain outlets of the mass media which continues to propagate outdated and discriminatory concepts of women. The independence and equality of opportunity women desire do not receive the full backing of law and the general public.

The Committee makes first a number of general comments in the area of psychological, legal, economic, social, cultural and political aspects relating to women in Europe. Since necessary statistical studies and surveys were not available as to the various job categories and age groups of women, the Committee expressed regret at not having been able to do an optimum of work.

The Committee points out that legal discriminations still exist in various national legal systems such as within matrimonial and parental laws and within laws pertaining to social security provisions.

The Committee stresses that working women mostly work in low-paid and low-prestige jobs and the lack of qualifications naturally reduces chances of career advancement. Many employers continue to be reluctant when it comes to promoting women.

The Committee emphasizes that much of the discrimination and stereotyping begins in the most formative years - in childhood. The content of textbooks, curriculum, syllabuses and the vocational training area reflect often still the obsolete ideas about the roles of the sexes and this results in girls taking up the traditional "female careers" and awaiting marriage and family without the opportunity of real freedom of choice. Career planning which should begin at the vocational guidance stage, rarely occurs and sex and marital status are still taken into consideration in awarding grants for further education.

Furthermore, the Committee reiterates the importance of the role of the "homemaker" in Europe and urges that the work of the mother and the housewife be no longer undervalued. Among the concrete recommendations made in this area, the Committee stresses the need to abolish the term "non-gainfully employed" when describing full-time housewives and recommends that "accident and other insurance schemes" for housewives should be developed soon. The Committee also places emphasis on the need for child-care facilities in agricultural and isolated regions, the need for registration of "child-minders", and the increase of "home-help" facilities during and after pregnancy. Free and legal access to family planning information must also be guaranteed in all Member States.

The problem of one-parent families is also highlighted and recommendations as to guaranteed maintenance schemes are pointed out.

The need for emergency hostels for "battered wives" as well as the extension of legal aid and social services is also stressed by the Section due to the increase of "domestic assault cases" in Europe. The women and children of domestic assault cases are largely left unprotected and unaided in Europe.

The Committee includes among its specific proposed recommendations also the effective enforcement of the rights and principles to which the European Community countries have subscribed by having signed various charters and conventions, such as the United Nations Declaration on the Elimination of Discrimination against Women; European Social Charter, etc. The European Foundation for the Improvement of Living and Working Conditions is also urged to carry out statistical studies which should include the category of "housewife". Another recommendation is to study the possibility of developing "multi-purpose neighbourhood centres" which would be designed to bring old and young together in a framework of creative self-enfoldment, continuing education, leisure activities, and which would give the working mother or the full-time housewife more opportunity towards free time and taking up new activities. The inclusion of the "housework contribution" in the GNP (gross national product) of each Member State and on the European level is a further specific proposal, as is the introduction of a "housewife's wage" and guaranteed pensions for women who work at home looking after small children or elderly or sick dependents.

Speech by Dr HILLERY, Vice-President of the Commission

In a short speech, Dr HILLERY, Vice-President of the Commission, declared that, since last year, a great deal has been achieved towards the social progress of millions of women in Europe. The Council of Social Affairs on 18 December adopted the Directive on Equal Treatment for Men and Women as regards access to Employment, Vocational Training, Promotion and Working Conditions.

Thus, the Community has taken a major step forward to which the Economic and Social Committee has made a remarkable contribution. But the ESC wanted to stress the importance of women's problems through a second report, dealing with broader questions concerning the economic and social situation of women.

This Opinion has stressed rightly the inequalities between men and women in much of the legislation which still exists in our countries. There also remain basic problems concerning education and vocational training of girls and the provision of child care facilities. The Opinion rightly points out the desirability of greater representation of women at all levels of decision-making as a factor in changing this situation. The Commission notes with interest the conclusions of this report. Some of these coincide with actions outlined in its own Memorandum; others, however, come more specifically under the civil law, for which the Commission has no mandate as this mandate is accented on improving the situation of women in employment.

But this does not mean that the Commission is not aware of the other problems or that it overlooks opportunities for action in these fields. As for the extension of the social protection to categories of people not covered or insufficiently covered, it aims at a first legal instrument concerning certain categories of people in employment and in the second stage it intends to propose the extension of protection to the people who do not have employment, including, of course, women at home.

International Women's Year, created the right climate for the achievement of progress in women's equality but the important thing is to sustain the momentum and to continue the work.

The Commission plans follow-up in the present year.

It is now preparing a television film on equality between men and women at work. The second project in hand is the drawing-up of a recommendation on vocational guidance and training for girls and women.

In the preparation of the Recommendation on Vocational Training, the Commission will be giving special consideration to the question of how to promote the greater use of the Social Fund for this purpose.

Women in agriculture are faced with specific problems. The Commission, therefore, intends to undertake a study on the working conditions of the female members of the family working in agriculture and the situation of women on the farm.

Finally, it is drawing up an inventory of existing cases of discrimination or inequality. The aim is to establish, by stages, equality of treatment for men and women in social security. A first proposal would be made to the Council this year.

Thus a lot of work will have to be done for which the advice of the Economic and Social Committee will be welcome.

The Economic and Social Committee based its Opinion on material prepared by its Section for Social Questions under the chairmanship of Mr HOUTHUYS - Belgium - Workers. The Rapporteur was Mrs EVANS - United Kingdom - Various Interests.

3. Aeronautics Sector

Commission Report and Proposal to the Council concerning an Action Programme for the European Aeronautical Sector.

Gist of the Commission's Report and Proposal

The Commission's document evaluates the position of the Community's aircraft industry vis-à-vis its American competitors in the market for civil and military aircraft. The conclusion reached is that the Community's aircraft industry, which is an important high-technology sector, will only be competitive internationally and will only be able to maintain and increase levels of employment if, on the one hand, a single Community market is established and on the other hand, something more is achieved than simple intra-EEC cooperation on projects.

The basis of the proposed programme is that the aircraft industry should be administered and financed by the Community. The aims of the programme are as follows :

- to bring together all of the Community's aircraft industries which are engaged in the construction of large civil aircraft;
- to bring about close cooperation between the aircraft industry, airlines and public authorities;
- to draw up a joint, basic research programme;
- to arrange industrial cooperation with non-member countries;
- to draw up a trading policy geared to penetrating export markets;
- to harmonize laws and administrative provisions on airworthiness certificates, pollution control and standards in general.

The Commission suggests that the first steps towards implementing its action programme should be :

- a Council decision establishing a common policy in the civil aircraft and aviation sector;
- a resolution of the Member States "meeting within the Council" on the purchase and development of aircraft weapon systems.

Gist of the Opinion

The Economic and Social Committee adopted, by a large majority, with 7 votes against and 5 abstentions, its Opinion on this proposal.

The Committee approves and is very satisfied with the Commission's initiative. It observes that a technical and financial framework which is conducive to the growth of the EEC aircraft industry and consultation on programmes constitute initial clear-cut objectives which it should be possible to attain without insuperable difficulties.

This being so, the Committee endorses the following proposals :

- A European office for airworthiness certification should be set up. This would afford users and the public authorities every guarantee as to the enforcement and up-to-dateness of the relevant rules;
- Common certification in respect of nuisance abatement;
- A joint drive for standardization;
- Common financial machinery so as to facilitate sales and after-sales back-up. All these measures should form a coherent whole. They should improve the present position of European manufacturers vis-à-vis their competitors, and help them overcome their difficulties without special measures having to be taken each time a sale is made;
- The creation of a real EEC home market is a necessary preliminary to the framing of an effective civil aircraft manufacturing policy for the Community.

The Committee also considers that the Commission was right to make a proposal for the military sphere, even though this falls outside the Community's sphere of competence at the moment. But, the Committee feels that the Commission should specify how an EEC military aircraft procurement agency might be set up.

In the Committee's view, real progress will have been made if this action is taken. It feels that the entire action programme proposed by the Commission for the civil and military sectors should be implemented in parallel with progress in the political organization of European Union.

It is essential that the Community show, as soon as possible, the political will to develop a Community aircraft industry. This political will should immediately be brought to bear on specific concrete issues.

The Committee based its Opinion on material prepared by its Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr HEMMER - Luxembourg - Employers. The Rapporteur was Mr EVAIN - France - Employers.

4. Informatics

Communication of the Commission to the Council concerning a Community policy on Data Processing.

Gist of the Commission's Communication

The Commission is submitting a second list of priority projects as a follow-up to those proposed at the beginning of 1975, which were dealt with in a Committee Opinion adopted on 29 May 1975 (Doc. CES 616/75).

The principal projects are :

- a development project for a common language for real time programming;
- a proposal for a Council decision adopting a group of data-processing projects relating to "software portability";
- a proposal for a Council decision adopting a group of studies in support of the use of data processing;
- a project for the specification and development of a computer-based information storage and retrieval system.

The Commission has also analyzed the computer market and framed a medium-term policy, which initially involves an examination of relations between the data-processing market and the user and of ways of supporting the industry. These initial measures will be followed up by a fully-fledged medium-term data processing policy programme, which the Commission intends to bring out in April 1976.

Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on this communication.

The Committee endorses the Commission's second group of proposals for supporting the data-processing industry in Europe. These proposals deal mainly with standardization, the development of a common language for real time programming and leasing finance.

The Committee would, however, like these proposals to be part and parcel of an overall informatics policy which is more long term and embraces the policy aspects affecting society as a whole.

The Committee based its Opinion on material prepared by its Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr HEMMER - Luxembourg - Employers. The Rapporteur was Mr de FERRANTI - United Kingdom - Employers.

5. Summer Time

Proposal for a Council Directive on Summer Time Arrangements

Gist of the Commission's Proposal

The proposal for a Council Directive on Summer Time Arrangements seeks to align the regulations in force in those Member States which apply summer time. It suggests that for 1977, 1978 and 1979 a standard summer time should be applied by the countries in question. It would last six and a half months, beginning and ending on the same date and at the same time. This measure - although limited - would have a favourable impact on the transport, communications, business transactions and contacts in general between the countries concerned.

The Commission's text is presented as being a first step towards the harmonization of national regulations. As is well known, some Member States have already stated that they think it impossible to adopt such a measure. Germany, for instance, has stressed the problem that would be posed for Berlin.

For the Member States which have decided to apply this energy-saving measure, the Commission proposes clocks be put forward one hour between the following dates :

- in 1977 from 3 April to 16 October
- in 1978 from 2 April to 15 October
- in 1979 from 1 April to 14 October.

As far as 1976 is concerned, the Commission feels it is too late to intervene. Summer time begins in Ireland and the United Kingdom on 21 March at 2 a.m. and ends on 24 October. In France, it will run from 1 a.m. on 28 March to 26 September; and in Italy from 0 hours on 30 May until 25 September. For the first two countries summer time will be GMT + 1, and for the second two it will be GMT + 2.

Apart from the fact that the permanent difference of one hour between the United Kingdom and Ireland and the European mainland already poses problems, the Commission considers that if they are not aligned, these changeovers to summer time are going to present snags. To take the most ridiculous example, the time relation between Paris and London will change four times in 1976: from 1 January to 20 March, the United Kingdom will apply GMT and France GMT + 1; from 21 to 27 March, the two countries will have GMT + 1; between 28 March and 25 September, the United Kingdom will be on GMT + 1 and France GMT + 2; from 26 September to 23 October, the two countries will again be on GMT + 1; and from 24 October to the end of the year, the United Kingdom will again have GMT and France GMT + 1.

Given the complications which will arise, the Commission thought it at least necessary to standardize the dates between which the countries apply summer time. It points out in its proposal the advantages of the whole EEC applying the same system. It asks the Nine to approve this partial directive by 1 April 1976, and also asks them to undertake to decide by 1 April 1979 on the proposals which will be valid from 1980 onwards.

Gist of the Opinion

The Economic and Social Committee unanimously adopted this proposal.

The Committee endorses the Commission's proposal insofar as it obliges Member States applying summer time between 1977 and 1979 or in any one of these years to adhere to the standard periods laid down.

However, it departs from the Commission's proposal in advocating that, each year, summer time should begin in the week immediately preceding or following 1 April and end in the week immediately preceding or following 1 November.

The Committee based its Opinion on material prepared by the Rapporteur-General, Mr RENAUD - Employers - France.

6. Quality of Drinking Water

The Proposal for a Council Directive relating to the Quality of Water for Human Consumption.

Gist of Commission's proposal

The proposed Directive comes under the Programme of Action on the Environment. It will oblige Member States to introduce uniform EEC standards of purity for water intended for human consumption - to be precise, drinking water, including non-aerated water sold in bottles, water used in food preparation and water in contact with food containers.

The proposal provides for monitoring conformity to the common purity standards, and updating of the Directive to take account of advances in scientific and technical knowledge as and when necessary.

The proposed Directive does not cover natural mineral waters - these have been dealt with in a separate Directive. Nor does it apply to medicinal waters or aerated water.

Gist of the Opinion

The Economic and Social Committee adopted by 40 votes in favour, 8 against, and 3 abstentions its Opinion on this proposal.

The Committee welcomes the proposed Directive, but sees a number of practical problems arising within the Member States if the Directive is applied in every detail in its present form.

It calls for immediate consultations with interested parties to make up for the lack of consultation before publication of the proposal.

Some of the values now proposed for certain of the quality parameters are unrealistic in the Committee's view, and could lead to the banning of many water supplies hitherto judged satisfactory. It is suggested that a distinction be drawn between parameters which are really important in the interests of public health and should therefore apply to all water related to human consumption, and those which are included for aesthetic or operational reasons.

The Committee draws attention to the very heavy financial costs involved by the sampling and analyses required to ensure compliance with the proposed standards, costs which will eventually in one form or another find their way to the consumer.

Certain legal and financial problems arise from monitoring of water quality at the tap. Legislation will be necessary to give local water authorities the right of entry to take samples for testing at the tap, and a system of grants may have to be introduced, if in fact renewal of piping is shown to be necessary in order to comply with the quality standards laid down.

The Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE - Ireland - Various Interests. The Rapporteur was Sir John PEEL - United Kingdom - Various Interests.

7. Titanium dioxide

Proposal for a Council Directive on Waste from the Titanium Dioxide Industry.

Gist of the Proposal for a Directive

In furtherance of its policy for the rational disposal of waste, the Commission is proposing that national legislation on waste from the titanium dioxide industry should be approximated.

The proposal is built round three categories of provisions :

- prior authorization for discharging waste, to be granted by the competent authority of the State in whose territory the industrial plant is located;
- ecological monitoring, with special regard to effects on the environment, flora, fauna and man;
- a plan for reducing pollution and nuisances accompanied by varying time limits geared to the age of the industrial plant in question.

Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on this proposal.

The Committee approves the proposal for a directive, because, among other things, of the potential impact of waste from the titanium dioxide industry on the environment and on man.

Further, the Committee considers that a coordinated programme of research, experiments and documentation should be undertaken and developed at Community level. This should be designed to measure the real impact of titanium dioxide waste and to take stock of technical solutions which might be applied on an industrial scale.

The Committee also fears that, unless the Community grants aids so as to permit the firms affected to bring their plant into line with the Commission's proposed environmental standards, there will be an economic impact and employment will suffer.

The Committee points to the fact that EEC firms must be able to compete internationally. Should the Community act alone in introducing legislation to combat water pollution caused by waste from the titanium dioxide industry, there is a danger that EEC firms' ability to compete will be impaired and that, as a result, the industry will move to neighbouring countries.

The Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE - Ireland - Various Interests. The Rapporteur was Mr EBOLI - Italy - Various Interests.

8. Jams

Amended Proposal for a Council Directive on the Approximation of the Laws of the Member States relating to Fruit Jams, Jellies and Marmalades, and Chestnut Purée

Gist of the Commission's Proposal

The proposal is an amended version of the draft Directive submitted by the Commission in 1965. The Economic and Social Committee issued an Opinion on the original version on 28 September 1966 (OJ No. 63 of 3 April 1967).

The amended proposal seeks to approximate the various national regulations. It employs the standard criteria developed by the Commission in its approximation work, particularly in the removal of technical barriers field.

The proposal seeks primarily to attain free trade in fruit jams, jellies, etc., in order to obtain better markets for Community-grown fruit.

Nevertheless, after listing a number of principles, the Commission goes on to propose that the Directive should only apply to some products, the rest remaining subject to national laws.

Gist of the Opinion

The Economic and Social Committee adopted unanimously less 2 abstentions its Opinion on this proposal.

The Committee believes that only total harmonization of the law concerning food will meet the basic need of protecting consumers and at the same time allow Community producers to compete on equal terms.

The Committee can however agree to partial alignment provided (a) total alignment is the ultimate objective and a specific date is set for achieving it, and (b) the following specific conditions are met :

- the 7 types of products covered by the proposal must include the most widely consumed products in the Member States;
- products which do not fall into the present 7 categories must in any event be covered by general rules;
- the rules for each of the 7 categories must be completely aligned.

In addition, the Committee asks the Commission to keep a close eye on the situation with respect to jams having a soluble dry-matter content of less than 61%. It also asks the Commission to submit, once it has available the necessary data, a supplementary proposal for a directive on the designation of such jams, their composition and labelling and the possible authorization of additives.

The Economic and Social Committee based its Opinion on material prepared by its Section for Agriculture under the chairmanship of Mr EMO CAPODLISTA - Italy - Various Interests. The Rapporteur was Mr BOUREL - France - Employers.

9. Lifting Devices and Lifts

Proposal for a Council Directive (EEC) on the Approximation of the Laws of the Member States relating to

- Common Provisions for Lifting and Mechanical Handling Appliances
- Electrically Operated Lifts.

Gist of the Proposal for a Directive

The outline Directive on lifting and mechanical handling appliances is part of the third stage of the General Programme of 28 May 1969 for the Elimination of Technical Barriers to Trade. The lifting appliances sector is also dealt with in the Council Resolution of 17 December 1973 on the Community's industrial policy. Electrically operated lifts were selected as the first sector for implementation of the outline directive because of their economic and social impact and because there were genuine obstacles to their free movement.

The outline Directive, which is divided into several chapters, contains general provisions on the appliances in question. It draws a distinction between EEC type-approval, EEC component type-approval and EEC inspection. The Directive further contains provisions on adjustment to technical progress and a safeguard clause.

The separate Directive on Lifts is based on a draft standard produced by the European Committee for Standardization (CEN). The Commission is prepared to replace the technical annexes to the proposal by the CEN standard if the latter is adopted before the proposal for a Directive is examined by the Council.

Only five major structural features of lifts have to undergo EEC component type-approval. These are :

- locking devices for landing doors;
- fire resistance of landing doors;
- safety gears;
- over-speed governors;
- hydraulic buffers.

The harmonization method adopted is the "optional" one.

Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on these proposals.

In its Opinion, the Committee calls on the Commission to base its proposals on "total harmonization". It also asks that the deadlines for complying with the Directives be altered.

As far as field of application is concerned, the Committee considers that the Directive should not apply to custom-built or individually-manufactured appliances, in which trade (and barriers to trade) are negligible. On the other hand, lifts for the disabled should be covered.

As regards the technical provisions of the Directive on Lifts, the Committee attaches particular importance to the Commission's intention to refer to the relevant work carried out by the CEN, and to its willingness to replace the present technical annexes to the proposal for a directive by the CEN standard if the latter is adopted before the proposal is examined by the Council.

The Economic and Social Committee based its Opinion on material prepared by its Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr HEMMER - Luxembourg - Employers. The Rapporteur was Mr BOUREL - France - Employers.

10. Less-favoured areas - French Overseas Departments

Proposal for a Directive concerning the Community List of Less-Favoured Farming Areas within the Meaning of Directive 75/268/EEC (France - Overseas Departments)

Gist of the Commission's proposal

The object of the Commission's proposal is to extend mountain and hill farming aid to certain less-favoured areas of the French Overseas Departments of Martinique, Guadeloupe, Réunion and Guiana. No problems of principle are involved in this proposal which follows on from the proposal submitted by the Commission to the Council in October 1975 with a view to extending the coverage of the Guidance Section of the EAGGF to take in the French Overseas Departments.

A dozen or so particularly deprived agricultural areas in these Departments should directly benefit from this Community aid.

Gist of the Opinion

The Committee approves the proposal in its entirety.

This Opinion was adopted unanimously.

(Rapporteur : Mr CLAVEL - France - Various Interests).

11. Less-Favoured Areas - France

Proposal for a Directive amending Council Directive 75/271/EEC of 28 April 1975 concerning the Community List of Less-Favoured Farming Areas within the meaning of Directive 75/268/EEC (France).

Gist of the Proposal

In accordance with the procedure laid down in Article 2(1) of Directive 75/268/EEC on mountain and hill farming and farming in certain less-favoured areas, the French Government has forwarded to the Commission a request that certain additional areas in France should be regarded as mountain areas. The French Government has also submitted information relating to the special features of the areas concerned and the aid measures which it proposes to apply. This proposed Directive stems from the French Government's request.

Approximately 780 communes and 150 parts of communes, covering 440,000 hectares of utilized agricultural area are involved.

The Commission considers that the data relating to the zones falls within the limits stipulated by the Commission in the proposal for a Directive of 18 December 1974 concerning the Community list of less-favoured farming areas.

Gist of the Opinion

The Committee approves the proposal in its entirety.

This Opinion was adopted unanimously.

(Rapporteur : Mr CLAVEL - France - Various Interests).

12. Regional Development

Study on the

Regional Development Problems of the Community during the Period 1975/1977 and the Establishment of a Common Regional Policy.

The Economic and Social Committee adopted unanimously, with 2 abstentions this study.

The Committee welcomes the Council's decision to establish a Regional Development Fund and a Committee for Regional Policy and strongly supports the efforts to create a Common Regional Policy.

The Committee is opposed to national quotas as a basis for distribution of Fund resources although it recognizes that a certain flexibility is called for in the initial period. The Committee recommends that aid from the Regional Fund be allocated in accordance with common objective criteria such as per capita income, migration level and level of unemployment. The criteria must ensure that aid is concentrated in the most needy regions of the Community.

The Committee strongly supports the Commission's efforts to enforce the principle that Community aid should be additional to the national regional development activities and therefore should not lead to any reduction of the national efforts in this field.

One of the main objectives of regional development is to maintain or generate economic growth in the underdeveloped regions. The Committee nevertheless emphasizes that other considerations such as social and environmental factors are of equal importance, and points to the necessity to tackle the problems of the congested urban areas.

Among the various means available to regional policy the Committee sets particular stress on the need to create or maintain basic infrastructure. Infrastructure as such is however insufficient to generate economic and social development and must be supplemented with other measures such as implantation of small- or large-scale enterprises, service or tourist activities, or structural reorganization in agriculture.

Under the Community's Regional Policy, financing is available only for projects which entail creation of more than ten jobs. Taking account of the fact that the investment/job creation ratio is particularly high for small-scale projects, which create less than ten jobs at a time, the Committee strongly recommends that means be found for grouping such projects so that they will qualify.

The Committee finds that improved planning and coordination of the various policies and activities which have a bearing on regional development is a precondition to the efficient implementation of regional development programmes. The Committee welcomes the initiatives recently taken with regard to the Commission's own services in this respect.

The Study emphasizes the importance of regional authorities and professional and social organizations being able to participate in and exert influence on the planning and execution of regional development. The Committee draws attention to current political and social trends which unambiguously underscore the need for decentralization of functions and responsibilities in relation to regional development planning and implementation procedures. The Committee invites the Community institutions to examine the matter and makes several suggestions with a view to improving the present situation.

Statement by Mr THOMSON, Member of the Commission

In the Committee's debate, and strongly supported by Mr THOMSON, particular emphasis was laid on providing on-the-spot publicity, for example, with large signboards, for projects carried out with Community funds. The hesitations of some national administrations should not be allowed to stand in the way of thus demonstrating the Community's very real involvement.

Mr THOMSON, Member of the Commission, gave in the first place a detailed report of the events that have taken place since the Regional Development Fund and the Regional Policy Committee started work in earnest last autumn. Then, he talked about the important tasks lying ahead for 1976.

By the end of 1975, the first year of operation of the Community's Regional Development Fund, the whole of the 300 m u.a. which were available for that year, were committed.

These 300 m u.a. are being granted in respect of 1,183 investment projects out of 1,521 applied for by national governments. 738 of the 1,183 projects are infrastructure projects; to these the Fund is making a total of 180 m u.a. of grant, towards total investment costs of 1,026 m u.a. The other 425 projects, in industry and the service sector, amount to 1,400 m u.a. worth of investment, and the Fund's total grant to them is 120 m u.a.

The very satisfactory management of the Fund would not have become possible without the excellent cooperation of the nine national Regional Policy administrations. Criteria for the allocation had to be agreed, especially for infrastructure, and priorities had to be defined.

It is important to understand that in the very large majority of cases, the money that is paid by the Fund to the Member States in respect of industrial and service projects will not be passed direct to the individual investors concerned. In these cases, the Member States have made use of the provision in the Regulation which allows them to use the grant from the Fund in place of their own national aid, but which insists that the resources that are made available to the Member States as a result should be devoted as a "bonus" to extra expenditure in the regions. This "bonus" or "additionality" principle is crucial to the success of the present Fund and the judgement to be made for the future. Italy has adopted a particularly satisfactory means of implementing the principle.

As for 1976, the Commission attaches a special importance to the Community's Regional Policy in the present period of great economic difficulty : unemployment, inflation and slackening economic growth. While the cyclical aspects of these problems are clearly the most urgent in the short term, the underlying structural causes of them should not be underestimated.

Within this general context, and in view of the importance for the future of European Regional Policy, four particular points should be made.

The first and most fundamental point concerns the principle that the Fund's resources should enable more to be spent than Member States would have been able to make available for regional development had there been no Fund.

The second point concerns the geographical spread, within each Member State's nationally aided regions, of the investments for which it applies for grants from the Fund. In this respect, priority should be given to investments in national priority areas, taking account of the Community's principles for the coordination of regional aids.

The next point relates to the investments chosen for Fund grants rather than the choice of geographical location. The Fund's resources should be concentrated on the real development priorities of certain regions or groups of regions, always bearing in mind that Community resources are much more limited than national resources.

Finally, from 1976 onwards the Fund should, in a number of significant cases, be associated with the implementation of economically sound projects where the major works are begun during the year in question. This could do much to demonstrate vividly to public opinion that a new partnership is under way between the Community and its Member States in the field of Regional Development. The importance of publicity has to be stressed in this context.

As far as the long-term outlook is concerned, the next stage of the Community's Regional Policy will have to be based on a limited operational experience of the present Fund. Very likely, too, it will have to be seen in a wider context than that of underdeveloped regions characterized by agriculture or declining industry. Because of the need for structural changes arising from the present recession and the energy crisis, new problems can be expected to arise in central areas which have witnessed so far high levels of employment. Future Community regional policy, incorporating the coordinated use of all the Community's financial instruments as well as the second-stage Regional Development Fund, will have to be devised with this wide variety of regional problems in view.

The Economic and Social Committee based its Study on material prepared by its Section for Regional Development under the chairmanship of Mr A. LAVAL - France - Workers. The Rapporteur was Mr MAHER - Ireland - Miscellaneous activities.

II

OUTSIDE ACTIVITIES

1. European Congress of the European Movement

Speech made by the Chairman of the Economic and Social Committee, Mr Henri CANONGE, at the opening session of the Congress of Europe (European Movement) on 5 February 1976 :

"I am particularly grateful to the European Movement for giving me the opportunities of speaking on behalf of the Economic and Social Committee of the European Communities at this inaugural session.

I will be brief. I know the European Movement believes that trade unions, business associations and other interest groups, as represented in our Committee, have a vital role to play in European integration.

One of the main things we want of the Community is that it should be democratic. That is undoubtedly why you attach such importance to direct election of the European Parliament.

The Economic and Social Committee was always a firm advocate of direct elections, even before the European Council took its recent decision.

In our eyes, democracy includes the basic right of each citizen to express his views through the ballot box, that is to say to elect or reject candidates offering themselves for election.

The Committee firmly believes that the Community, and later the European Union, should have an elected Parliament, and that this Parliament should progressively be given real powers.

Through elections to the Parliament, the people of our nine countries will be helping to create a Community of peoples, not just a Community of States.

But the ordinary citizen does not vote only on deep political issues. He votes also to express the needs he has in his daily life, at work, in the home and as a member of society. In so doing, he is always influenced by his fellows and their quest for a better and fuller life.

There is thus a need to establish and expand democratic participation in the economic and social fields.

In the Community of today, the Economic and Social Committee, as set up by the Treaties, has the very heavy responsibility of contributing towards this participation at an institutional level. This is what it is trying to do as best it can in close and constant collaboration with the Commission, the Council and the European Parliament.

The Committee does not in the least consider itself to be the compulsory channel of contact between socio-occupational interest groups and the institutions. In a democratic system, trade unions, employers' and professional associations and social organizations retain their freedom of action. The Committee is aware that this basic right has to be respected absolutely.

Now that I have summed up the general ideas of the Economic and Social Committee, may I add, Mr Chairman, that European Union will not be achieved without the consent, indeed without the active support, of the public in our nine countries. This public is opposed to abstract constructions and concepts produced solely by a select inner circle - whose goodwill should not, for all that, be doubted.

The Community and its leaders must, first of all, prevent fragmentation of its common disciplines and achievements. The Community is wondering what the future holds in store, given its partial failure to define its independence or establish its identity.

I think I should warn this assembly against the predictable reactions of millions of men who have been unemployed for a long period, of those who point out that the first common policy is in danger, and of all those for whom the Community to which they aspire has to bring more economic and social justice. Today, all these men are aware that politicians and business leaders must work out and implement measures which are coherent and more fundamental than those taken so far.

The European Union must result in a society which responds to these aspirations by giving a reasonable priority to the "indispensable" over the "possible". I can assure you all that it is in this light that the Economic and Social Committee intends to pursue its work.

2. Visit by trade union leaders from the African, Caribbean and Pacific States to the Economic and Social Committee

On 19 February 1976, Mr Henri CANONGE received a group of trade union leaders from the African, Caribbean and Pacific States at the ESC. The Committee Chairman made a brief speech to mark the occasion. In the course of discussions on the Convention of Lomé, particular attention was paid to the contribution that the ESC and its counterparts in the ACP States should make to the implementation of the Convention.

III

NEW REQUESTS FOR OPINIONS

The Council has asked the Committee for an Opinion on a

Proposal for a Council Directive amending Directive No. 72/464/EEC, as amended by Directive No. 74/318/EEC of 25 June 1974 and 75/EEC of 18 December 1975, on Taxes other than Turnover Taxes which affect the Consumption of Manufactured Tobacco.

PROGRAMME OF FUTURE WORK OF THE ECONOMIC AND SOCIAL COMMITTEE

138th Plenary Session -- March 1976

- Tax Exemptions
- Free Zones and Customs Warehouses
- Measuring Systems for Liquids Other than Water
- Units of Measurement
- Remission of Import and Export Duties
- Economic Research Institute
- European Social Budget
- Community Work on Employment
- Fresco of Aid to Developing Countries
- Sheepmeat

139th Plenary Session - May 1976

- Inshore Fishing
- Access to the Occupation of Carrier/Diplomas
- Driving Licences
- Mayonnaise
- Public Purchasing
- Sound Level of Motor-Cycles
- Sound Level of Cranes
- Field of Vision - Motor Vehicles
- Tractors
- Marketing of Fertilizers
- Check Weighing and Grading Machines
- Insurance
- Company Taxation
- European Export Bank
- Dumping of Waste at Sea
- Sulphur
- Organization of the Market in Potatoes

140th Plenary Session - June 1976

- Reference Tariffs/Inland Waterway Transport
- Common Rules (Road Transport)
- Observing of Transport Markets
- Common Rules (Transport)
- Precious Metals
- Safety, Hygiene and Health Protection
- Consumer Action Programme (Additional Opinion)
- Rail Transport Rates
- Community Research and Development Policy (Study)

141st Plenary Session - September 1976

- The CAP in the International Context
 - Medium-Term Economic Policy Programme
 - Securities
 - GATT Negotiations (Additional Opinion)
 - Working Conditions in Inland Waterway Transport
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AND SOCIAL COMMITTEE**

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| 1. Bulletin (monthly publication) | Free |
| 2. The Economic and Social Committee (leaflet-January 1975) | Free |
| 3. The Economic and Social Committee (April 1975) (A descriptive brochure) 16 p. | Free |
| 4. European Union (July 1975) (Opinion) 33 p. | Free |
| 5. Progress Report on the Common Agricultural Policy (February 1975) (Study) 52 p. | Free |
| 6. The Situation of Small and Medium-sized Undertakings in the European Community (March 1975) (Study) 69 p. | Free |
| 7. Annual Report 1975 62 p. | Free |
| 8. Annual Report 1974 60 p. | Free |
| 9. Annual Report 1973 64 p. | Free |
| 10. Directory (November 1975) 32 p. (list of members) | Free |