

European Community

News Release

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S U M M A R Y

- P. 2 EDUCATION: Preparing children for life in a consumer society.
Education ministers want youngsters choosing intelligently.
- TELECOMMUNICATIONS: The new step towards a genuine common market.
A European approach to testing terminal equipment.
- ENVIRONMENT: Preventing a new Seveso or Bhopal. The 12 tighten up on dangerous chemicals.
- P. 3 AID: EC steps up aid to some of poorest developing countries.
Price stabilization plan (STABEX) extended to Asia and Haiti.
- POPULATION: Relatively fewer Europeans by year 2000. World population to grow by 29%, Community's by 2.6%.
- P. 4 SOCIAL SECURITY: Court of Justice eases trans-frontier employment conditions. Local benefits apply to EC non-nationals.
- P. 5 FISHERIES: 10 + 2 equals twice as many. Fresh problems, and the Commission's view in solving them.
- P. 6 CONSUMER PROTECTION: Who cares about «Made in...» label? European Commission believes origin markings delay creation of a common market.
- THE ECONOMY: Community GDP set to rise further. European Commission's latest forecast for the Community's economy show it on the mend.

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**Delegation of the Commission
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EDUCATION : Preparing children for life in the consumer society

In a consumer-oriented society, knowing how to get value for money is as important as earning the money in the first place. The European Community's education ministers, believing it takes education to resist the blandishments of salesmen, have decided that schools must teach the young how to choose intelligently among the ever-increasing range of goods and services available in a modern society, and to be aware of their rights and responsibilities as consumers. That it can be done is shown by the pilot actions carried out successfully throughout the Community between 1979 and 1984.

The ministers have asked the European Commission to undertake a number of activities, on a priority basis, over the next three years. They include reflections on teacher training, an exchange of views in the production and distribution of suitable teaching material and studies on the introduction of consumer education in universities.

TELECOMMUNICATIONS : A new step towards a genuine common market

Computer terminals are a part of the daily life of a growing number of Europeans. Linked to the telephone, they are fast becoming an indispensable piece of communications equipment. European manufacturers must be in a position, therefore, to turn them out in large numbers, for sale throughout the Community at competitive prices.

With this in mind, the industry ministers of the 12-nation European Community have just taken the first step towards a common market in telecommunications. Because of a newly-adopted testing directive, equipment which has been tested in an approved laboratory in one Member State will not have to undergo fresh tests elsewhere in the Community.

At present, manufacturers wanting to sell their equipment in all 12 Member States must have it tested 12 times over, at their own expense. Once the new Community directive has become part of national legislation, such conformity tests need be carried out only once.

In the next stage, set in principle for 1988, each of the Twelve will recognize the approvals granted by the others. After which, truly European standards will need to be adopted.

ENVIRONMENT : Preventing a new Seveso or a new Bhopal

The European Community's environment ministers have just tightened up the Community regulation on the stocking and use by industry of 13 chemicals likely to cause serious accidents. The new agreement

strengthens considerably the measures of surveillance introduced in 1982, under the so-called Seveso directive, following the accident at a chemical plant in Seveso, northern Italy.

An industrial or trading company which stocks or uses any one of 178 chemicals, above a certain quantity, is required to inform the local authorities, under the Seveso directive. It must give full details regarding the operations to be carried out, the safety measures provided for and the action envisaged in the event of an emergency.

For some of the most dangerous chemicals on the list the ministers have sharply reduced the quantities that can be stocked or used in manufactures without any controls. In the case of methyl isocyanate, responsible for the Bhopal catastrophe, the quantity has been reduced from 1000 to 150 kgs. For phosgene, the permitted quantity is now 750 kgs. (down from 20 tons); for chlorine, 75 tons as against 200 tons.

AID : Community steps up aid to some of the poorest developing countries

In a world of fluctuating commodity prices, there is an obvious need to stabilize the export earnings of developing countries. The European Community had been doing just this through STABEX, a scheme set up over 10 years ago to help 66 developing countries linked to it through the Lomé Convention.

The European Commission has now worked out the details for extending STABEX to the least developed countries in Asia and Latin America which are not signatories to the Convention. There are 9 of them, including Afghanistan, which has been excluded for the time being.

The immediate beneficiaries are likely to be Bangladesh, Nepal, Laos and Haiti. To the 49, mainly agricultural, products whose exports are covered by STABEX, the Community has now added jute, of which Bangladesh is a major producer. Among the other products on the list are tea, coffee, cocoa, vegetable oils, bananas, cloves, pepper and shrimps.

The additional cost to the Community is put at ECU 50 million* at most, over the next 5 years.

* 1 ECU = 1.35795 CAD

POPULATION : Relatively fewer Europeans by the year 2000

The world will be less "European" in the year 2000. By the beginning of the 21st century the population of the 12-nation European Community will have increased by 2.6 per cent, according to Eurostat, the EC's statistical office. Meanwhile, the population of Japan will have gone up by 6 per cent, that of the United States by 13 per cent and the Soviet Union by 15 per cent, notes Eurostat, which

has put the rise in world population at a hefty 29 per cent.

It has estimated the Community's population in the year 2000 at nearly 330 million, as against 321 million in 1984, when the birth rate was 1.2 per cent - well below that for the world as a whole (2.7 per cent), the United States (1.6 per cent) and the Soviet Union (2 per cent).

Only in one EC Member State, Ireland, is the birth rate higher than in the U.S., while the rate for Japan (1.2 per cent) is very close to the European average. But Japan has a death rate well below the European - 0.6 per cent as compared to 1.0 per cent - which explains why the Japanese population could grow twice as fast as the European between now and the year 2000.

Within the Community, population is declining fastest in the Federal Republic of Germany and Denmark, with fewer births than deaths by 100 population in 1984. By the year 2000 the population of Germany should fall by 3.2 per cent, while that of Denmark remains stable. The same fate could overtake Belgium, according to the experts. Its population could fall by 2.3 per cent by the year 2000.

Ireland, in contrast, seems hardly threatened by an ageing population. With a record birth rate of nearly 2 per cent in 1984, its population could grow by some 17 per cent by the year 2000. The U.K., Portugal, France, Spain and the Netherlands all recorded birth rates above the Community average, but not dramatically so.

Germany, which had a population of over 61 million in 1984, will remain the most populous Member State but with two million fewer inhabitants. The three other large countries - the U.K., France and Italy - will have roughly the same population in 15 years' time, just under 58 million.

Spain will have more than 40 million, the Netherlands 15 million and Portugal 11 million. Experts forecast a population of 9.6 million for Belgium, roughly 5 million for Denmark, 4 million for Ireland and 373,000 for Luxembourg.

SOCIAL SECURITY : Court of Justice eases trans-frontier employment conditions

A German music professor who works part-time in the Dutch town of Zwolle twice applied to the Dutch authorities for permission to reside there, only to be refused both times. The Dutch have argued that as an immigrant with an insufficient income he would be a charge on social security.

The European Community's Court of Justice has now ruled in favour of the professor. It has held that nationals of one Member State

of the EC working part-time in another have a right to social security in that state, and on the same terms as its own nationals.

In the Court's view anyone doing remunerative work which is legal, even though part-time, is covered by the Community's regulations on the freedom of movement of workers. He or she can therefore ask local social agencies for income supplement while residing in the country in question.

The Court of Justice has also ruled that French nationality cannot be a condition of employment as a nurse in public hospitals in France. The Court has held that French legislation to this effect is contrary to the Treaty of Rome, the Community's "Constitution".

French nationality was required for appointment or permanent employment as nurse in a public hospital. The French government took the view that jobs in the public services, and those "connected...with the exercise of official authority" are specifically excluded by the Treaty of Rome itself from its provisions on the freedom of movement of workers.

The European Commission disagreed, claiming that freedom of movement is a basic principle of the European Community, so that the exceptions authorized by the Treaty must be kept to a strict minimum. And while a minister of state or army general may be said to exercise official authority... surely not a hospital nurse. The Court of Justice, to which the Commission took its case, has proved it right.

FISHERIES : 10 + 2 equals twice as many

With twice as many fishermen as it had before the recent inclusion of Spain and Portugal, the 12-nation European Community's concern with its fisheries policy has been heightened. But an equally pressing reason is that measures taken in 1983 run out at the end of this year. The European Commission's memorandum to the twelve capitals in early June sets out its views on the future of the Community's fishing industry.

With the January enlargement, the number of fishermen has more than doubled to 250,000. It would rise by another 11,000 if fishermen from Spain's Canary Islands were included.

Enlargement has also meant a much bigger fishing fleet, with tonnage up by 64 per cent and the number of boats by 41 per cent to 78,000 (plus another 2,000 from the Canary Islands). Production too has risen by 29 per cent in quantity (to nearly 6 million tons) and by 50 per cent in value (to over ECU 5,000 million*).

But fish stocks are not inexhaustible and the aims pursued by the

Community include limiting the size of catches in accordance with stocks, both present and future, which is why the Commission wants a smaller fishing fleet. It favours continued financial support for fleet modernization, but without an increase in Community fishing capacity. On the basis of a report it has just drawn up, the Commission in fact wants more checks on the size of catches, to make sure the limits are being respected.

The Commission wants to encourage fishing activities which contribute most to local and regional economic development. It also plans to organize fishing expeditions, in order to prospect the waters of the South Atlantic and Antarctic.

* 1 ECU = 1.35795 CAD

CONSUMER PROTECTION : Who looks at the "Made in..." label ?

Do consumers need to know whether the article they have bought was made in Germany, France or Italy ? The European Commission believes not, and that the European Community governments that compel manufacturers to add a "Made in..." label are simply holding up the creation of a genuine common market.

The Commission was replying to a question from an Irish Euro-MP, Ray MacSharry, who believes the absence of origin markings deprives the consumer of a necessary item of information.

In several of its judgments, the European Court of Justice has held that compulsory origin markings help delay the creation of a common market. The European Commission, clearly in agreement with the Court, recognized that the consumer must be able to assess the nature, quality, quantity and price of the article he is buying. But information about its country of origin could prevent him from buying a good article, because of ingrained prejudices. In any case, nothing prevents a manufacturer from showing the country of origin, if he feels it will help sales, the Commission has pointed out.

THE ECONOMY : Community GDP set to rise further

The economy of the 12-nation European Community is on the mend. Gross domestic product (GDP) should rise by 2.7 per cent this year and by 2.8 per cent in 1987, in real terms, according to the European Commission's admittedly conservative forecast. This compares favourably with an underlying growth rate of 2 to 2.5 in the two previous years.

This higher level of economic activity should stimulate employment. The Commission's economic services in fact expect employment to rise

by nearly 1 per cent in both years. If so, it will be the first time since the early 1970s that more people will have found jobs than have entered the labour market. As a result, the average unemployment rate in the Community could decline from around 11 per cent last year to 10.5 per cent in 1987.

The more favourable outlook reflects falling oil prices. Their impact on the Community economy is best seen in the acceleration of domestic demand. Private consumer demand is expected to grow at more than 3 per cent a year in both 1986 and 1987, a rate not seen since the economic recovery of 1978/79. What is equally important is that this growth is taking place under much sounder conditions.

Inflation in 1987 is expected to fall to 3.1 per cent, down from an estimated 3.3 per cent this year. This will be the lowest rise in the consumer price index since the 1960s; and while it is due in part to lower oil prices, it is very largely the result of the efforts of the Member States themselves, according to Mr. Massimo Russo, Director-General for Economic Affairs in the Commission.

Inevitably, not all Member States will do equally well. In the two main energy producing countries - the U.K. and the Netherlands - growth is expected to slow down this year, to an estimated 2.6 per cent in the U.K. (as against 3.3 per cent last year) and to 1.7 per cent in the Netherlands (2.3 per cent last year). In Greece the adjustment policies adopted by the Government are likely to result in a 0.4 per cent decline in GNP this year.

But GDP should rise by over 3 per cent in Portugal (3.9 per cent), Germany (3.5 per cent) and Ireland (3.2 per cent). It should be close to the Community average in Italy, Spain (2.7 per cent) and Denmark (2.5 per cent). France should record a 2.3 per cent growth rate, Belgium 2 per cent and its partners in the Belgo-Luxembourg Union, 2.2 per cent.

Lower oil prices will mean a fall in the EC's bill for imported oil. But much of these savings will go on imports, which are certain to be boosted by the rapid rise in domestic demand. Although a slowdown in exports is forecast, the trade balance could show a substantial surplus.