

EUROPEAN COMMUNITY NEWS

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COMMISSION OF THE EUROPEAN COMMUNITIES

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SURVEY OF CONSUMER ATTITUDES

An analysis of the Community's fourth consumer attitude survey, made in April, shows many variations among the five EC countries polled. About 25,000 families were interviewed in France, Germany, Italy, the Netherlands, and Belgium. In France and the Netherlands, the survey indicates a rise in optimism regarding the general economic situation, while in Italy and Germany optimism is declining.

Attitudes toward the economy, the survey showed, tend to depend on job security. In Germany, where jobs are regarded as the most secure, only 20 per cent expected higher employment, a 10 per cent rise over the last 12 months. Widespread concern about jobs has gone up to 25 per cent in France, has remained about the same in Italy (47 per cent), but has dropped 11 points in the Netherlands to 66 per cent.

Attitudes among German and Italian households have been especially aggravated by sharp price increases. From January to April, the number of families feeling sharp price rises in Germany jumped from 50 per cent to 73 per cent and in Italy from 62 per cent to 84 per cent. Awareness of higher costs in France (51 per cent) and the Netherlands (8 per cent) on the other hand, dropped 4 and 2 points respectively.

Judgements on the financial situation of individual households remain unchanged among French and Dutch families. In Italy and particularly in Germany, however, they have become less favorable.

The French express most confidence regarding their future financial status, with 27 per cent expecting considerable improvement and only 7 per cent the contrary. While positive and negative expectations balance out among the Dutch, optimism is on the decline in Italy and more dramatically in Germany.

The results from Belgium, the other country surveyed, are still incomplete.

COMMON RESEARCH
POLICY PROPOSED

A common policy in the field of scientific and technological research is now in sight with the Commission proposal for a Committee for Scientific and Technical Research (CREST). CREST would examine national programs and budgets, scrutinize available research potential, detect gaps in research programs through analysis of Member State objectives, and formulate common objectives. Forwarded to the Council and Commission, CREST opinions would enable effective coordination of Community policies, increase national and Community program efficiency, define joint projects within the Community's interest, as well as foster common attitudes toward third countries and international organization.

The CREST proposal was submitted to the Council in July along with proposals for promoting fundamental research through the planned European Scientific Foundation. Since the public services in scientific and technological sectors fall under last year's Paris "Summit" Conference definition of joint projects, the Commission proposed expansion of the European Bureau of Nuclear Measurements and the European Standards Bureau to cooperate with public service centers of Member States. This cooperation would eventually lead to the development of a single European bureau.

GLOBAL LOAN
TO FRANCE

In its role as a promoter of regional development, the European Investment Bank has concluded a loan contract of 30 million units of account (one UA equals one 1970 dollar) to finance miscellaneous small and medium scale industrial ventures located in regions either handicapped by underdevelopment or confronted with converting their traditional industries. The loan contract was made with Credit National, Paris.

TOWARD IMPROVED
REGIONAL POLICY

The Commission has moved to bolster the Community's regional policy by proposing creation of a Regional Policy Committee and a Regional Development Fund. The Fund would have a budget of 2.4 billion units of account (one UA equals one 1970 dollar).

The chief instrument for coordinating Member States' regional policies, the Regional Policy Committee would study national regional policy aims and means, develop regional aid systems, initiate disincentives in overly concentrated economic areas, and provide information for public investors interested in regional development. The European Development Fund would operate in agricultural priority regions, regions subject to industrial change, and regions suffering from structural underemployment.

The Commission believes that Community regional aid should be a compliment rather than a substitute for Member State regional aid.

PRIORITY FOR
ENERGY POLICY

Community action to ensure satisfactory energy supplies is, according to the EC Commission, an urgent priority. In a recent memorandum to the Council, the Commission cited three areas which require immediate and simultaneous action: cooperation with the energy-importing countries, relations with the energy exporting countries, and the organization of the Community oil market.

Cooperation with energy-importing countries would prevent fruitless and costly outbidding on the world market and define objectives and procedures in the event of an oil supply crisis. Cooperation should also be inaugurated, the Commission said, on scientific and technical research in the energy sector.

The Commission also proposed the establishment of a procedure for intra-Community dialogue on EC Member State dealings with energy exporters. The Commission intends to open exploratory talks with the energy-exporting countries.

Proposals concerning the Community's oil market call for surveillance and notification to the Commission of hydrocarbon imports and exports, and for intra-Community consultation on supply conditions. The Commission also proposed setting up price indicators on the entry of crude oil into the Community.

EC BANK GRANTS
TO FRANCE/ITALY

The European Investment Bank (EIB) has granted loans totalling 56 million units of account (one UA equals one 1970 dollar) toward major transportation projects in France and Italy.

Two loans were granted to the French National Railways (SNCF). The first, a loan of UA 18 million will help finance a UA 54 million project to increase the capacity of the main rail link between Italy and France -- the Culoz-Chambery-Modane line -- systems improvement and acquisition of more advanced equipment.

The second, in the sum of UA 9 million, will go toward improving overall service on the main cross-country rail routes of France, primarily through introduction of gas turbine passenger trains. The bulk of the UA 28 million project will finance installation of 17 complete trains on the Lyon-Bordeaux, Lyon-Nantes, and the Lyon-Strasbourg lines.

The EIB has also granted a UA 28 million loan to Autostrade-Concessioni e Costruzione Austrade S.P.A., Rome, for construction of the 50 mile Volti-Alessandria section of the "Tunnels Motorway."

EC NEEDS
SHIPBUILDING
POLICY

Faced with a threat of world overproduction in the shipbuilding industry, the Community is working toward development of a common policy in the field.

Investigations by the Commission show that the expected world production capacity for new ships in 1975 of 40 million gross tons will exceed the average requirements for the same year by 28 per cent. The Commission estimated that, based on the present production rate, the total tonnage delivered by 1978 should meet shipping needs until 1980.

Inflation, monetary uncertainty, and shipbuilder anticipation of shipping requirements have shot order books to a record level. Oil tanker production, which accounts for three-quarters of the orders, shows the greatest expansion rate, particularly in Japan. The rapid growth of large capacity ship production indicates that this sector might be particularly affected in the event of a recession at the end of the decade.

After consultation with the various economic sectors involved, the full results of the investigation will enable the Commission to adopt clearly defined proposals for a Community shipbuilding policy.

HOTEL GRANT
FOR GABON

The European Investment Bank has granted a 15-year loan of 1.95 million units of account (one UA equals one 1970 dollar) to the Societe Hotel du Dialogue for construction of a first class hotel in Libreville, Gabon. The Societe Hotel du Dialogue, a limited company under Gabon law, is 50 per cent owned by the Gabon Government. By increasing accomodation capacity in the Gabon capital, the Hotel du Dialogue's construction conforms with the Government's policy of promoting tourism and furthering the country's development.

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