

TALSMANDENS GRUPPE
SPRECHERGRUPPE
SPOKESMAN'S GROUP
GROUPE DU PORTE-PAROLE
GRUPPO DEL PORTAVOCE
BUREAU VAN DE WOORDVOERDER

**INFORMATION
INFORMATISCHE AUFZEICHNUNG
INFORMATION MEMO**

**NOTE D'INFORMATION
NOTA D'INFORMAZIONE
TER DOCUMENTIE**

Brussels 13/XII/1976

RESULTS OF THE FOURTEENTH ECONOMIC SURVEY AMONG
EUROPEAN CONSUMERS

The results of the latest consumer survey, carried out in October 1976, show that in almost all the member countries taking part the level of confidence is somewhat below that indicated by the survey carried out in May. Generally speaking, this ebb of confidence, less evident in the Federal Republic of Germany than in the other countries, is most pronounced in respect of households' expectations regarding future economic developments. The key to the adjustment of consumers' opinions and assessments is almost certainly the slowdown in the economic recovery discernible in the third quarter. For the EEC countries as a whole, the consumer confidence index (May 1974 = 100) fell from 107.1 in May to 101.7 in October 1976 but remained higher than the level of 99.2 recorded in October 1975.*

In Denmark, France and particularly the United Kingdom more households than in May believe that the economic situation in their country has deteriorated over the last twelve months. In Ireland, the Netherlands and Belgium the results of the October survey are slightly less pessimistic. In the Federal Republic of Germany, the only country where the number of "optimists" exceeds the number of "pessimists", appreciably fewer households than in May consider that the economic situation has got worse (see Table 1). Households' expectations on economic developments in the twelve months ahead present the following picture: in all the member countries more households than in May take the view that the general economic situation will get worse, though in the Federal Republic of Germany the "optimists" still outnumber the "pessimists" (the balance between positive and negative replies is +10.7 as against +19.7 in May). The decline in confidence was most marked in the United Kingdom, where the balance switched from +21 in May to -27.2 in October. The cautious attitude on the part of consumers is also reflected in the higher percentage of "don't knows" in many countries (see Table 2).

Households' expectations as to the trend of economic activity affect their expectations with regard to the unemployment situation. (The correlation between these two variables is rather strong.) Consequently, the number of households taking the view that unemployment will fall in the next twelve months has dropped sharply in most countries; the opposite, however, happened in the Federal Republic of Germany, where the number of consumers who believe that unemployment will decline rose in October. In Italy, there has been little, if any change in consumers' views on this subject (see Table 3).

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* * The consumer confidence index is constructed by taking the arithmetic mean of the weighted (4,3,2,1,0,2) balances of the following five questions: general economic situation, past and future, households' financial position, past and future, and the advisability of making purchases.

The results show that there are still wide price divergences between the different member countries. In the Federal Republic of Germany, where the drive against inflation has been relatively successful, few consumers take the view that prices have risen sharply over the last twelve months. In the other countries, a large majority of households perceive that prices are indeed much higher; in Denmark, France and the United Kingdom, the number of such replies is higher than in May (see Table 4). As regards future developments, consumers in Denmark, Ireland, Italy and particularly the United Kingdom expect price increases to gather momentum. The situation in the Federal Republic of Germany and in the Netherlands is virtually unchanged compared with May. In France and Belgium, more households than in May believe that the rate of price increase will slacken (see Table 5).

As regards incomes, the results suggest that European consumers have not enjoyed any gain in purchasing power since last year and do not expect any significant improvement in the twelve months ahead. Only in the Federal Republic of Germany do more consumers than in May take the view that their financial position has improved. The net implication of replies received in the other countries is that households' financial positions have either stayed the same or actually deteriorated. In Denmark, households are less optimistic than in May on this subject. The outlook is hardly more favourable: by comparison with May, households in the Netherlands expect an improvement, those in the Federal Republic of Germany no change, and those in the other countries a deterioration. It should, none the less, be noted that in Denmark, the Federal Republic of Germany and France households looking forward to an improvement outnumber those anticipating a deterioration in their financial position (see Tables 6 and 7).

In spite of the relatively pessimistic expectations regarding the general economic situation, in all countries, except Italy, households still maintain a comparatively favourable attitude to consumption. Still, there have been a number of changes since May. In Denmark and France the less optimistic financial outlook is reflected in a less favourable attitude regarding the advisability of effecting purchases. In Italy, households have adopted a slightly more cautious attitude to consumption than previously, and a somewhat more positive attitude to saving. In the Federal Republic of Germany, the Netherlands and Belgium, consumers' attitudes to consumption have shown little change. By contrast, savings expectations have tended to gain strength since May. In the United Kingdom and above all in Ireland consumers are more favourably disposed towards consumption than in May.

In short, the results of the survey carried out in October show that, generally speaking, consumer confidence has ebbed; economic expectations are less optimistic, unemployment as well as price increases remain a major source of concern for European households, except for those in the Federal Republic of Germany, and financial expectations are poor.

A table showing the percentage of households possessing various durable goods is attached.

ENQUETE DE CONJONCTURE HARMONISEE AUPRES DES CONSOMMATEURS DES COMMUNAUTES EUROPEENNES
HARMONISIERTE VERBRAUCHERBEFRAGUNG DER EUROPÄISCHEN GEMEINSCHAFTEN
HARMONIZED CONSUMER SURVEY OF THE EUROPEAN COMMUNITIES

TABEAU 1
TABELLE
TABLE

A votre avis, depuis un an, la "situation économique générale" dans votre pays s'est:
Wie hat sich Ihrer Meinung nach die "allgemeine Wirtschaftslage" in Ihrem Land seit einem Jahr entwickelt?
 How do you think the general economic situation in this country has changed over the last 12 months?

OPINIONS/ANSICHTEN OPINIONS	DANMARK		B.R. DEUTSCHLAND		FRANCE		IRELAND		ITALIA		NEDERLAND		BELGIQUE- BELGIË		LUXEMBOURG		UNITED KINGDOM				
	J	M	O	J	M	O	J	M	O	J	M	O	J	M	O	J	M	O	J		
	Jan. 76	Mai 76	Oct. 76	Jan. 76	Mai 76	Oct. 76	Jan. 76	Mai 76	Oct. 76	Jan. 76	Mai 76	Oct. 76	Jan. 76	Mai 76	Oct. 76	Jan. 76	Mai 76	Oct. 76	Jan. 76		
1 nettement améliorée <i>wesentlich verbessert</i> got a lot better	1	0	1	1.2	2.5	2.7	2.8	2.9	3.1	2.9	2.5	2.0	1.3	1.5	1.2	1.2	1.3	1.6	0.5	0.7	0.8
2 un peu améliorée <i>etwas verbessert</i> got a little better	14	11	5	16.9	31.4	30.5	17.7	18.4	16.0	10.2	10.5	9.9	8.7	12.4	12.2	4.7	8.5	8.6	4.7	8.5	8.6
3 est restée stationnaire <i>in etwas gleichgeblieben</i> stayed the same	33	28	21	35.8	34.6	41.3	33.4	32.9	30.4	8.6	6.8	8.8	16.9	19.0	19.9	13.8	16.6	18.6	13.8	16.6	18.6
4 un peu dégradée <i>etwas verschlechtert</i> got a little worse	32	35	39	34.8	22.8	19.0	28.9	28.2	29.1	21.5	21.1	25.8	27.6	19.5	21.0	39.7	41.3	41.0	39.7	41.3	41.0
5 nettement dégradée <i>wesentlich verschlechtert</i> got a lot worse	15	20	30	9.1	6.1	3.2	14.5	14.2	17.7	55.6	57.7	52.1	56.1	69.5	67.7	37.7	28.4	26.6	37.7	28.4	26.6
6 ne sait pas <i>weiss nicht</i> don't know	5	7	5	2.1	2.3	3.3	2.7	3.3	3.5	1.3	1.4	1.4	2.6	2.2	2.0	3.6	5.0	4.4	3.6	5.0	4.4
Total/Insgesamt/Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

en % du nombre de ménages interrogés / in % von den gesamten befragten Haushalten / in % of total interviewed households

TABELAU 9
TABELLE
TABLE

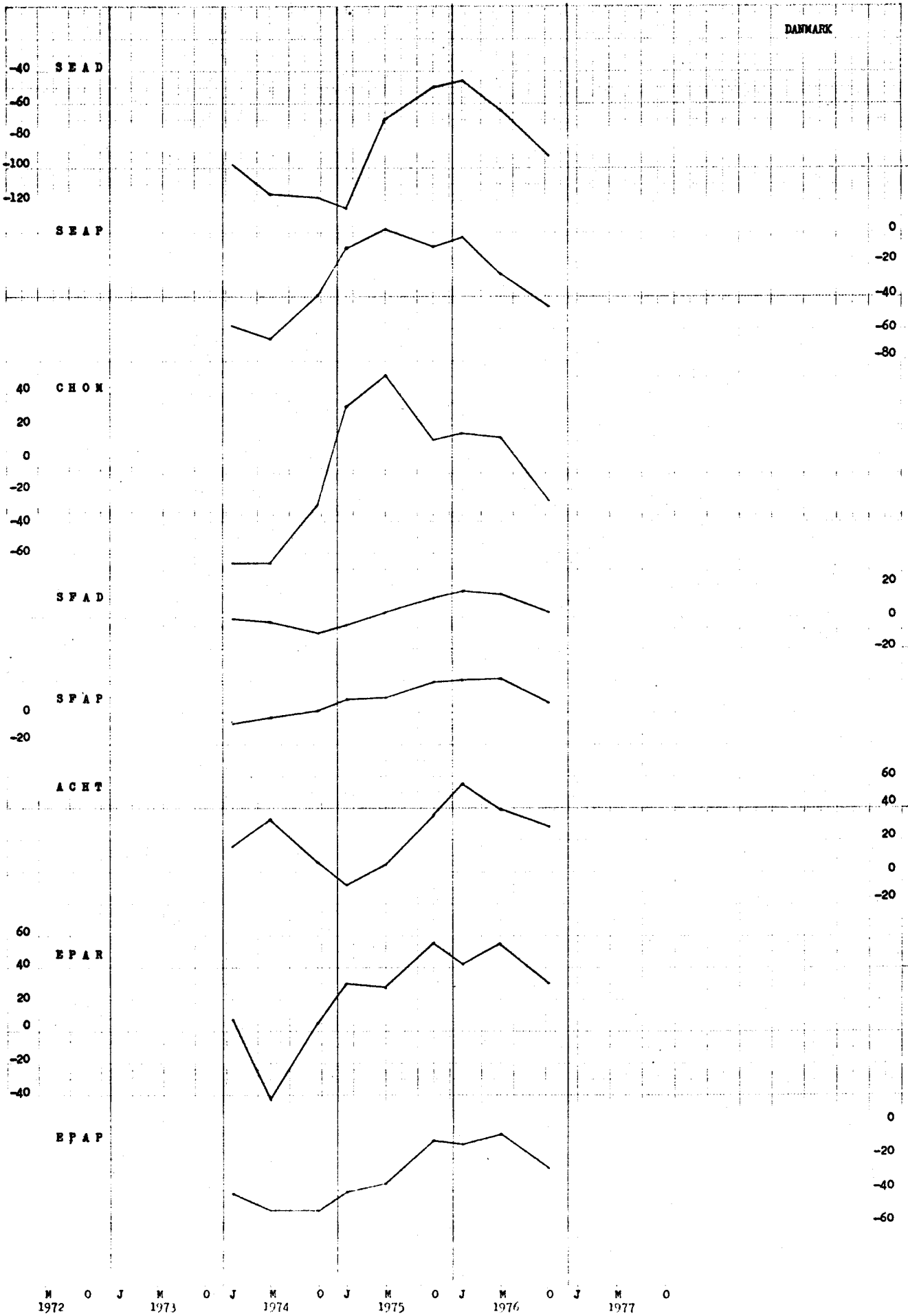
ENQUETE DE CONJONCTURE HARMONISEE AUPRES DES CONSOMMATEURS DES COMMUNAUTES EUROPEENNES
HARMONISIERTE VERBRAUCHERBEFRAGUNG DER EUROPÄISCHEN GEMEINSCHAFTEN
HARMONIZED CONSUMER SURVEY OF THE EUROPEAN COMMUNITIES

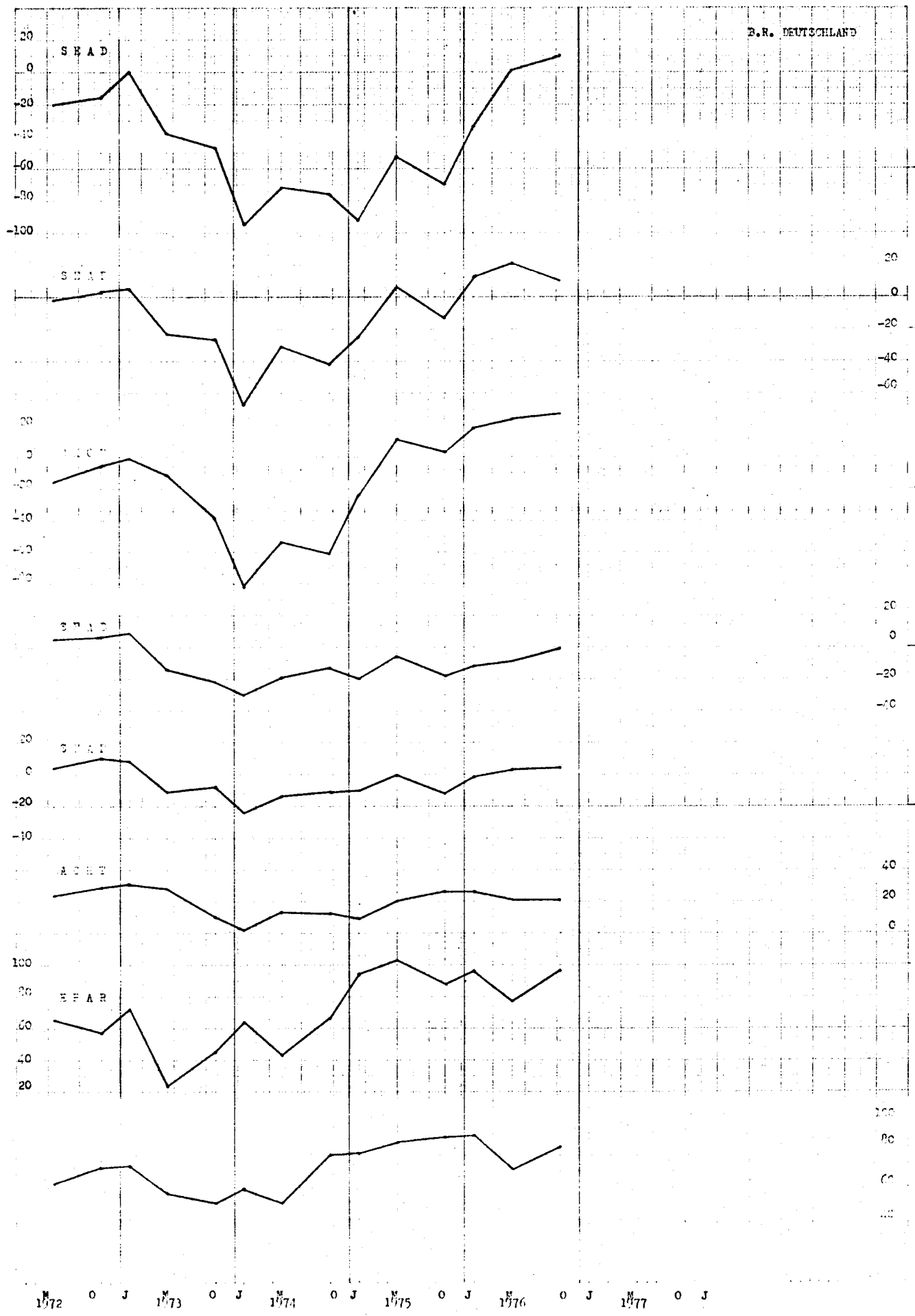
En considérant la situation économique générale, estimez-vous qu'il soit raisonnable d'épargner?
Glauben Sie, dass en in Anbetracht der allgemeinen Wirtschaftslage sinnvoll ist, zu sparen?

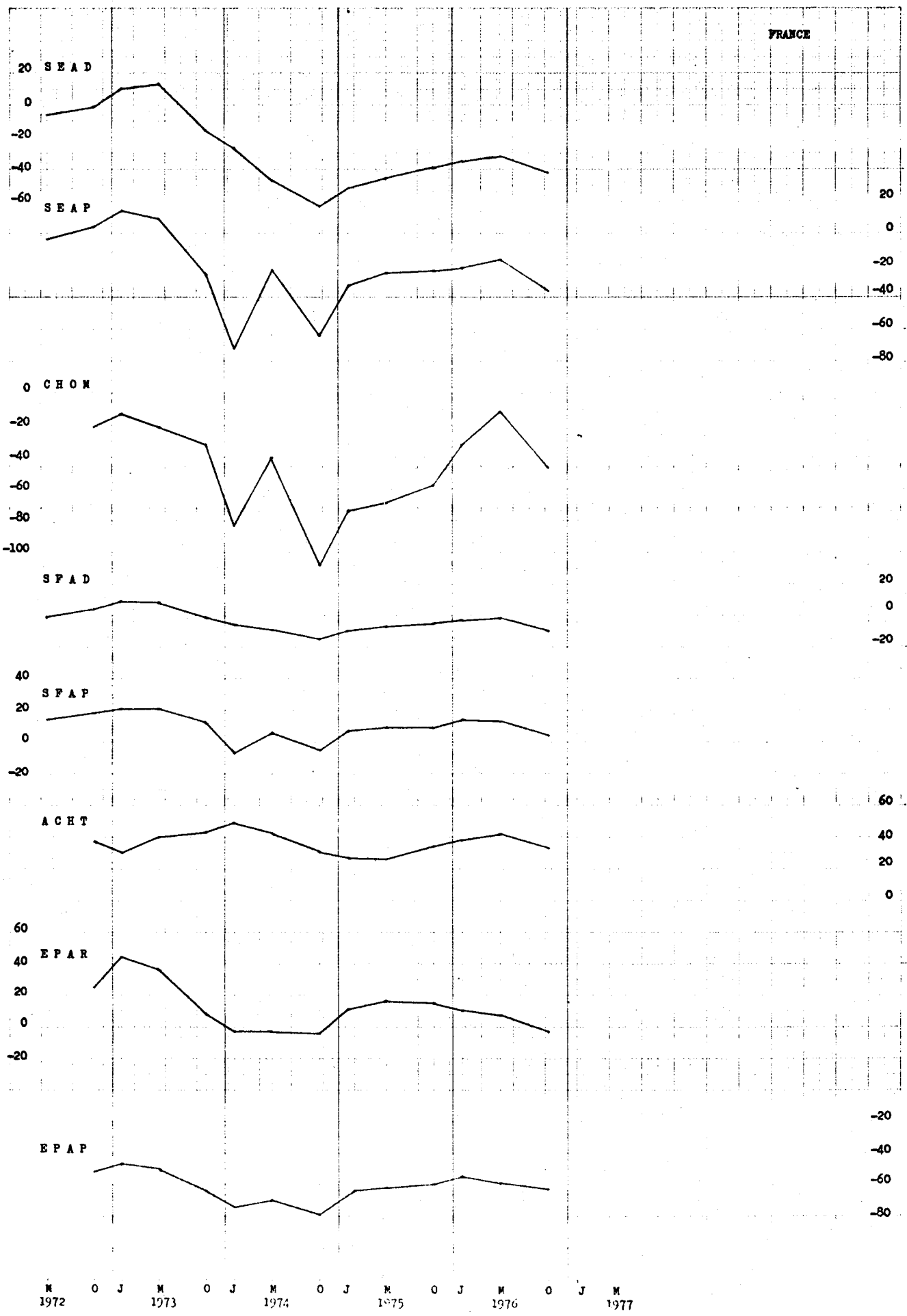
In view of the general economic situation at the present time, do you think that this is a reasonable time to save?

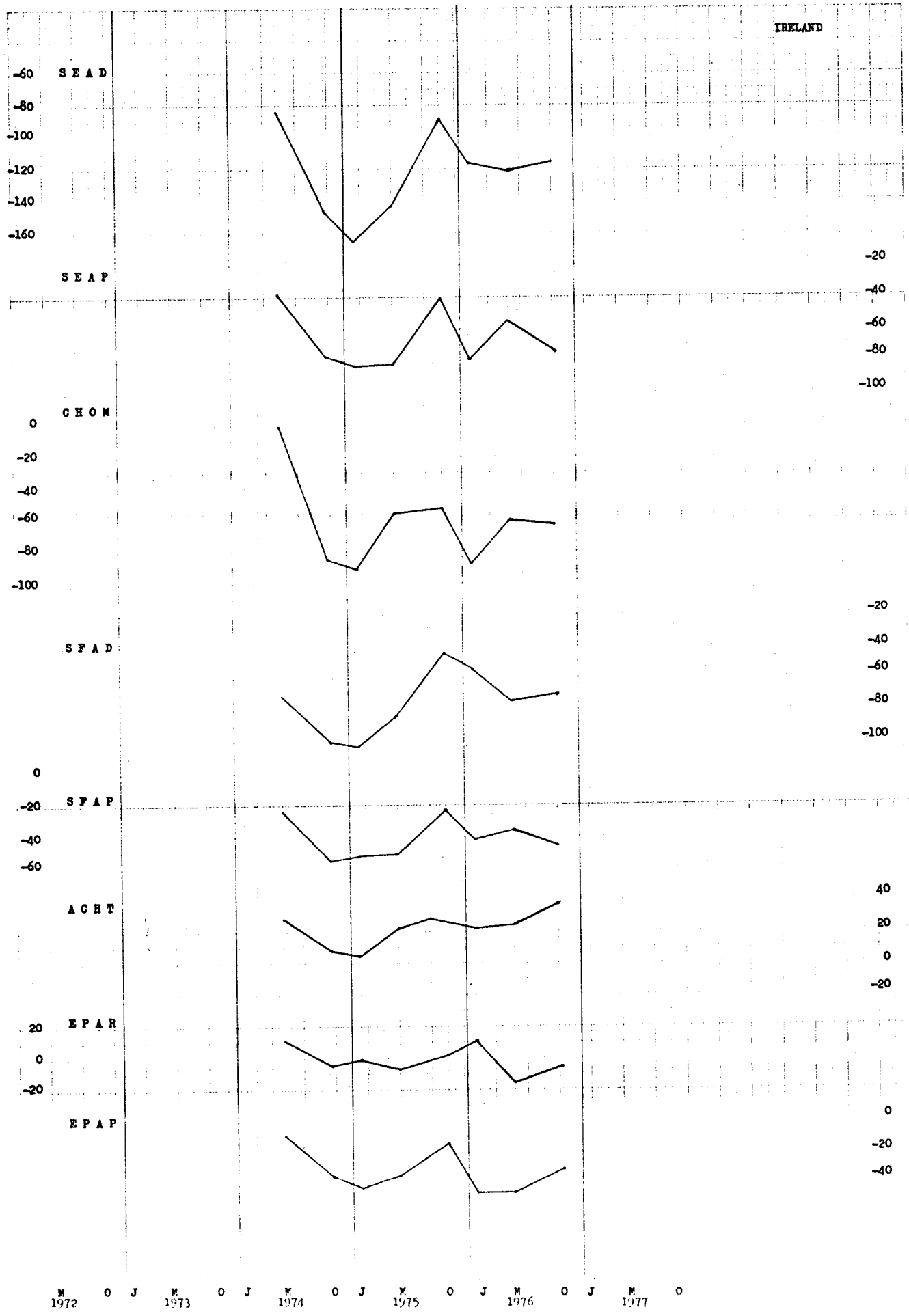
OPINIONS/ANSICHTEN OPINIONS		DANMARK			B.R. DEUTSCHLAND			FRANCE			IRELAND			ITALIA			NEDERLAND			BELGIQUE- BELGIE			LUXEMBOURG			UNITED KINGDOM		
		Jan. 76	Mai 76	Oct. 76	Jan. 76	J	M	O	J	M	O	J	M	O	J	M	O	J	M	O	J	M	O	J	M	O	J	M
1. oui, certainement ja, gewiss yes, certainly		41	43	39	47,2	41,0	47,8	26,3	25,4	24,4	28,1	21,3	23,8	25,2	23,3	25,0	35,0	32,0	34,8	47,8	43,4	40,3				11	8	10,0
2. oui, peut-être ja, vielleicht yes, perhaps		19	19	18	26,9	27,8	26,1	24,9	25,6	23,4	26,1	25,6	25,5	16,4	16,4	17,1	17,1	17,9	14,4	19,7	21,4	22,3				20	22	19,7
3. sans doute que non wahrscheinlich nicht probably not		15	14	14	13,9	15,7	12,8	19,1	18,1	17,2	14,2	18,1	16,6	19,0	17,3	16,5	17,2	17,4	16,5	11,2	12,2	15,5				48	49	41,8
4. certainement pas gewiss nicht certainly not		22	22	26	5,8	8,6	6,4	24,4	25,8	29,1	28,6	33,0	31,2	28,4	30,2	28,4	28,6	30,8	32,8	17,0	19,1	16,5				18	17	24,3
5. ne sait pas weiss nicht don't know		3	3	3	5,6	6,2	6,9	5,2	5,0	5,8	3,0	2,0	3,0	11,0	12,7	12,9	2,1	1,9	1,5	4,3	2,9	5,4				4	5	4,2
Total/Insgesamt/Total		100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

(en % du nombre de ménages interrogés / in % von den gesamten befragten Haushalten / in % of total interviewed households)

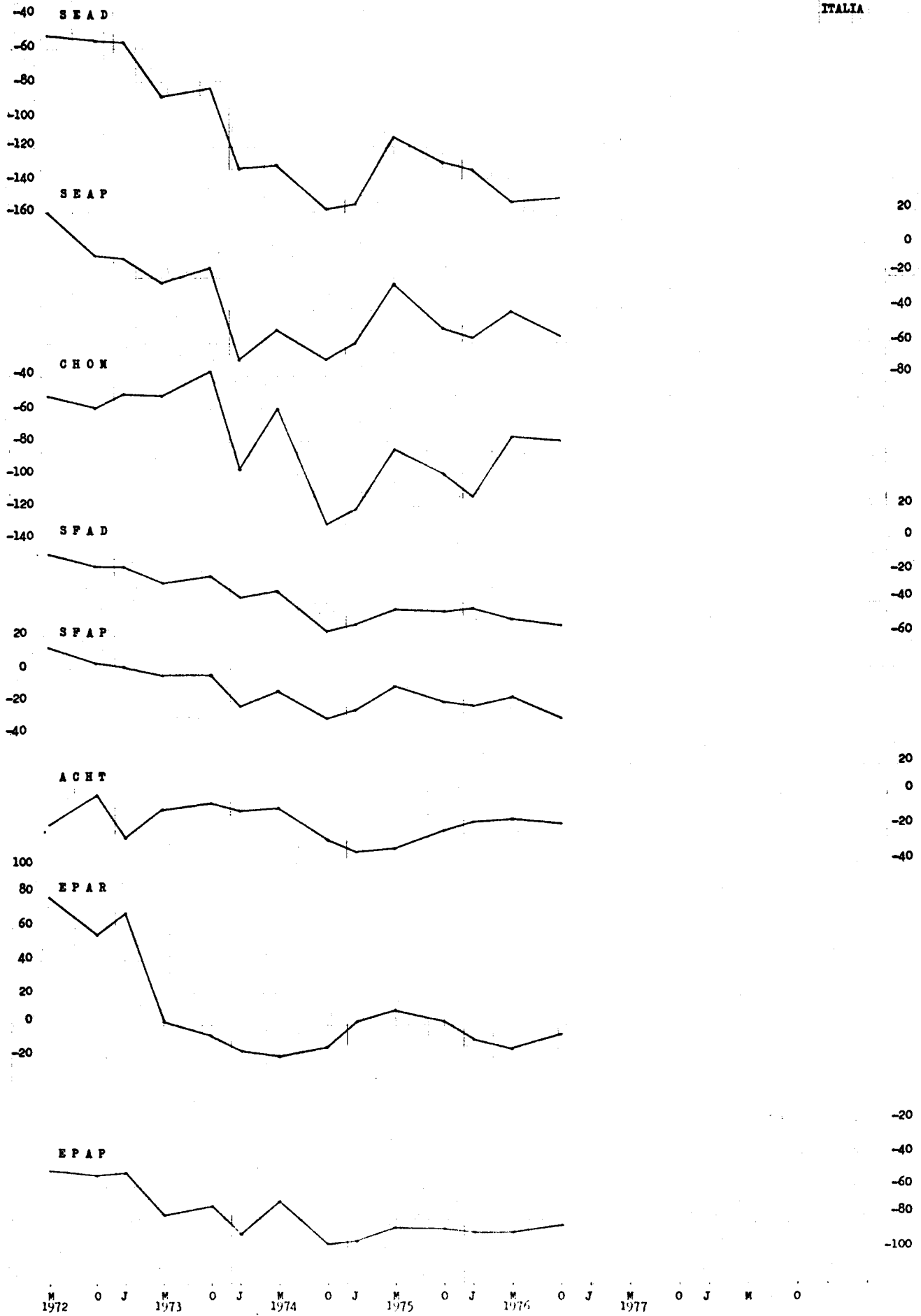








ITALIA



O SEA

NEDERLAND

-20
-40
-60
-80
-100
-120

SEAP

0
-20
-40
-60
-80

CHOM

-40
-60
-80
-100
-120
-140

SPAD

20
0
-20

SFAP

0
-20
-40

ACHT

40
20
0

EPAR

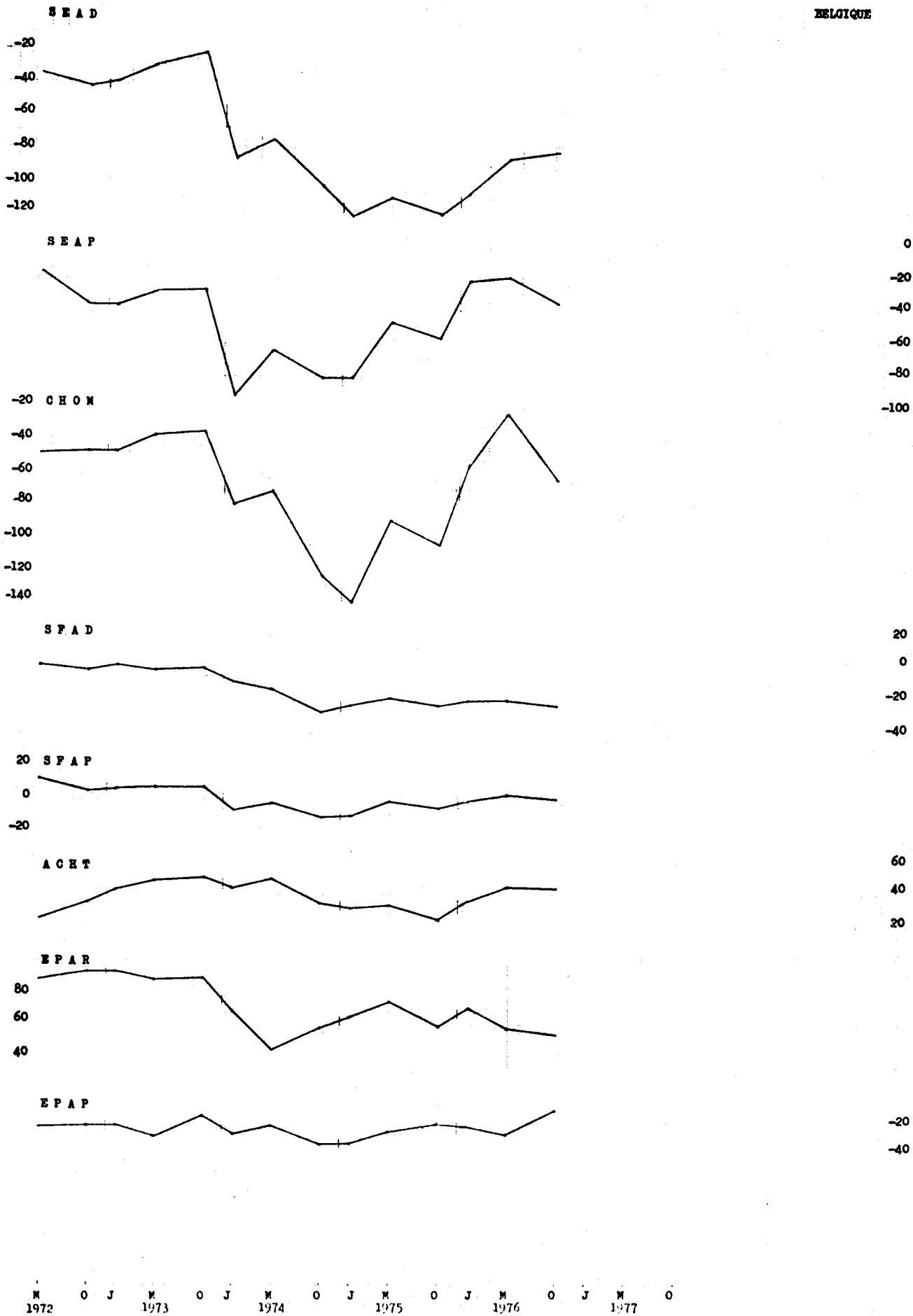
60
40
20
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EPAP

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0
-20

M 1972 O J M 1973 O J M 1974 O J M 1975 O J M 1976 O J M 1977 O J

BELGIQUE



UNITED KINGDOM

SEAD
-80
-100
-120
-140
-160

SEAP

20
0
-20
-40
-60
-80

CHON
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-20
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-60
-80
-100
-120

SFAD

-20
-40
-60

SFAP
-20
-40

ACHT

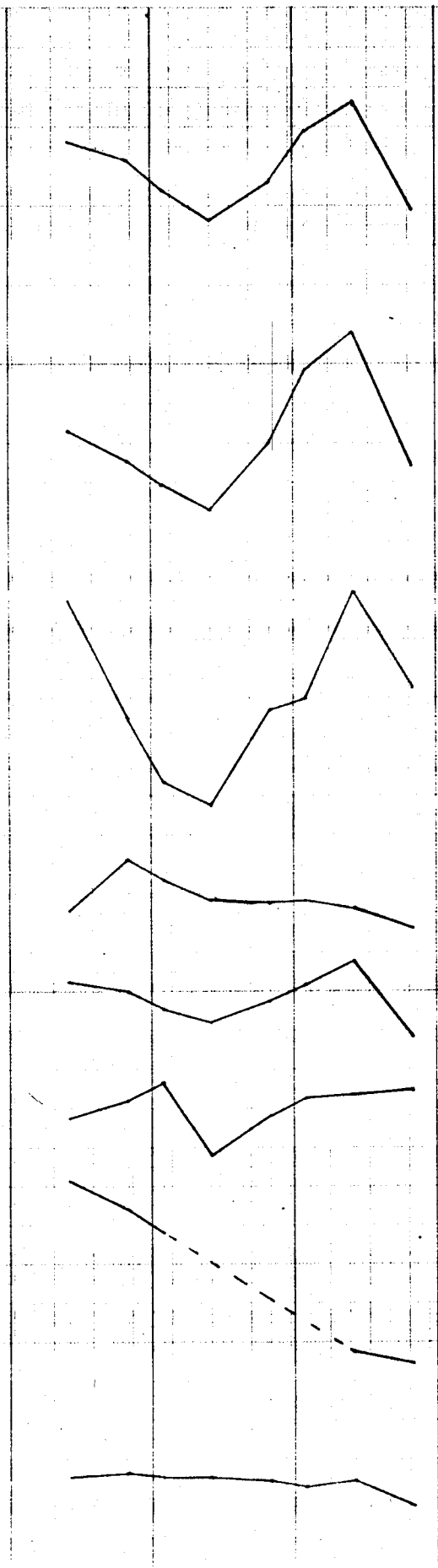
+40
+20
0

EPAR
40
20
0
-20
-40
-60

EPAP

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0
-20

M O J M O J M O J M O J M O J
1972 1973 1974 1975 1976 1977



EXPLICATION DES GRAPHIQUES

ERKLÄRUNG ZU DEN GRAFIKEN

EXPLANATION OF GRAPHS

- SEAD : - La situation économique générale depuis un an.
- Die allgemeine Wirtschaftslage seit einem Jahr. (tab.1)
- The general economic situation over the last 12 months.
- SEAP : - La situation économique générale pendant les 12 prochains mois.
- Die allgemeine Wirtschaftslage in den kommenden 12 Monaten. (tab. 2)
- The general economic situation over the next 12 months.
- CHOM : - Le chômage au cours des 12 prochains mois.
- Die Arbeitslosigkeit in den kommenden 12 Monaten. (tab. 3)
- The level of unemployment over the next 12 months.
- SFAD : - La situation financière au cours des 12 derniers mois.
- Die finanzielle Lage in den letzten 12 Monaten. (tab. 6)
- The financial situation over the last 12 months.
- SFAP : - La situation financière au cours des 12 prochains mois.
- Die finanzielle Lage in den kommenden 12 Monaten. (tab 7)
- The financial position over the next 12 months.
- ACHT : - Opportunité de faire des achats importants actuellement.
- Ratsam grössere Anschaffungen jetzt zu tätigen. (tab. 8)
- Advisability of making major purchases now.
- EPAR : - Estimez-vous qu'il soit raisonnable d'épargner?
- Halten Sie es für sinnvoll zu sparen? (tab. 9)
- Do you think that this is a reasonable time to save?
- EPAP : - Possibilité d'épargner dans les 12 mois qui viennent.
- Möglichkeit Geld zu sparen in den kommenden 12 Monaten. (tab. 10)
- Possibility to save some money over the next 12 months.