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## EUROPE ON THE MOVE

Mr Ortolí, President of the European Commission, recently delivered an important address to the European Parliament. It could be seen as marking a revival of Community spirit. We have reproduced extensive extracts from the speech and the annexed memorandum for readers of Industry and Society.

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EXTRACTS FROM THE PROGRAMME ADDRESS BY MR ORTOLI, PRESIDENT OF THE EUROPEAN COMMISSION,  
TO THE EUROPEAN PARLIAMENT

"Ours is a new generation, faced today by new challenges: to find reasons for life and hope in a society suffocated by its own progress, to forge new links between Europe and the countries of the Third World based on cooperation and solidarity, and finally to make Europe once again master of its own destiny." This is how Mr Ortoli summed up the Community's ambitions and the Commission's five point programme, in his address, extracts from which are reproduced below.

1. Our first objective must be to make Europe less dependent

"Europe is losing control of its future since the number of economic, financial and political centres of decision outside our Member States and outside our Community is growing apace.

Our dependence is increasing on two points.

Firstly, we have little or no control over the main factors of our economic life. This is true of energy supplies but for a number of Member States and for the Community as a whole it is also true of the monetary resources needed to cover our essential requirements...

"If the monetary problem, which calls for complex action, is left aside it is quite clear that energy is the crux of the matter, which is why the Commission proposes to concentrate on energy. 1975 must be the year of the common energy policy...

"We are gaining nothing by letting time slip by. There is a danger that our dependence on the outside world will harden into resignation masquerading as realism.

Europe must act and act now. The Commission therefore proposes the following course of action:

- we must fix common targets, both global targets and targets for each type of energy, and we must do something about attaining them;
- in this context, we must develop our resources by all available means...

"For this reason our second major objective (...) must be to make full use of our share of this pooled sovereignty which finds its expression in a changing economic and monetary world order...

"Since none of our Member States is in a position to exercise any real influence when systems are overhauled and powers rebalanced, Europe, far from eroding a sovereignty which is already diminished opens the way to sovereignty regained. Europe offers us an opportunity of exercising to the full the modicum of power allowed us in the new centres of decision. This is true of energy, monetary matters and world trade. It holds good for international organizations and for our relations with our larger partners, notably the United States...

2. Our second objective must be to reestablish economic and social equilibrium in Europe

"We have chosen four axes here:

- development of complementary economic policies and strengthening of solidarity; (only by complementary action and solidarity can free trade in the Community and throughout the world be maintained. A return to protectionism would sow the seeds of a new crisis)
- resumption of growth based on investment; (from the conjunctural point of view economic recovery must be based on investment, and not on a massive increase of overall demand)
- creation of new aids to decision and action - a practical step towards economic and monetary union; (to ensure a more reliable picture of the economic future, the Commission will shortly be proposing that the Community set up a medium-term research institute. Europe must have financial instruments in view of the novelty, scale and duration of the economic risks involved. The Commission is considering the principle and the structure of a European export bank. We have started studying the possibility of expanding our borrowing capacity and harnessing the Community's resources to our investment drive to add speed and balance)
- a policy made for the men and women of Europe with their help; (the Commission attaches great importance to the debate on participation at Community level. This spring it will be sending the Council a revised proposal on the Statute of the European Company

incorporating most of the amendments called for by the European Parliament. Side by side with this it has begun drafting a Green Paper outlining current trends in industrial relations in the Member States to establish points of agreement on which future discussion in Europe and the Member States can proceed)

3. Our third objective must be to establish a new relationship with the Third World

"Here Europe has embarked on a bold policy: the establishment of a new relationship with the Third World based on long-term cooperation guided by principles of fair and equal treatment...

"While continuing the financial aid which is indispensable for certain countries, we must wherever possible work for cooperation based on long-term economic links, which are a better instrument of progress and solidarity than any treaty. While respecting our partners' own objectives, we should combine our technology and know-how, our markets, in certain cases our capital and our products, in particular agricultural, with our partners' resources and their desire to take advantage of the new situation for their development...

"The Community's association policy, which began with 19 African states in the Yaoundé Convention and has now been extended to the whole of Africa and beyond by the Lomé Convention and the agreements which are about to be signed with the Mediterranean countries, is the most complete and most successful example of this strategy. Although financial aid is one aspect, what really matters is that these agreements provide access to large markets, stabilization of income cushioning the associates against a sudden fall in world prices, systematic cooperation to accelerate the process of industrialization, and political institutions in which statesmen and Governments from Europe and the developing countries can work together on an equal footing.

4. Our fourth objective must be to resume progress towards Economic and Monetary Union

"Inflation, the energy crisis and the monetary crisis have left us without a programme and without a doctrine. We therefore propose in 1975:

- to select limited but significant fields for measures which will, as in the past, carry real conviction;

- to redefine ways and means of attaining the ultimate objective, and, for this purpose, to make an assessment of the results achieved, to evaluate and report on the present prospects for the Union and to spell out the actions and instruments which will help in attaining our objectives...

"The common energy policy and the common agricultural policy are part of the substance of the Union. Our agricultural policy, in spite of the monetary difficulties, is vigorous and has maintained its unity. The stocktaking operation which we are now completing will enable us to assess both the results achieved and the improvements possible within the machinery of the Treaty in accordance with the process of continuous development without which no policy is possible. The regional policy, too, reflecting the desire for equilibrium and solidarity, is an important factor in the parallel drive towards Economic and Monetary Union. Lastly, we must implement our plans for new instruments of action: a strengthened Monetary Cooperation Fund, a medium-term institute, a European export bank and promotion, support or development machinery for the energy field...

5. Our fifth objective is to prepare the way for European Union

"The Europe we live in at the present time lacks a vision of the future of a kind that can win popular enthusiasm. (...) We need new bearings, a new sense of purpose, a new outlook if our peoples are to commit to the European venture that ambition, that tenacity and that creative passion which at times have taken us to such heights. In planning the European Union, we can restore this sense of purpose. Let us not forget that the first European Parliament elected by universal suffrage will meet in 1978, that is in three years time. (...) Two tasks are an important part of the process which has now begun: the presentation of the reports of Parliament and the Commission, and the mission which the Heads of State or of Government entrusted to Mr Tindemans, the Prime Minister of Belgium...

"The European Community was the original response, almost twenty-five years ago, to the challenge facing our peoples as a result of the obligation to overcome their rivalries and rebuild their economies in a world deeply divided by the Cold War. Twenty-five years is a whole generation. Ours is a new generation, faced today by new challenges: to find reasons for life and hope in a society suffocated by its own progress, to forge new links between Europe and the countries of the Third World based on cooperation and solidarity, and finally to make Europe once again master of its own destiny."

Mr Ortolli's address to the European Parliament was accompanied by a memorandum outlining the Commission's programme for 1975. The sections on regional policy, social policy, the environment, consumer protection and citizens' rights are reproduced below.

### SOCIAL POLICY

In 1975, the Commission's activities in the social field will come under two main headings:

- (i) continuation of work on the implementation of the Action Programme (1974-1976);
- (ii) intensive action to promote the Community employment policy; the importance of this policy was underlined by the Heads of Government when they met in Paris in December and its introduction was a major concern of the tripartite conference held in Brussels on 16 December<sup>1</sup>.

The Commission feels that these activities must be placed in a far wider context which takes account of the economic and social changes taking place in Europe. With this in mind the Commission intends to introduce the following priority measures in the course of the year.

### Employment

The Commission will send the Council communications on:

- (i) the promotion of concertation of Member States' employment policies and increased cooperation between national employment services (April 1975);
- (ii) the improvement of employment forecasts by sector and by level of qualifications (March 1975).

The employment difficulties faced by the sectors worst hit by the crisis will continue to be examined in conjunction with both sides of industry at regular intervals throughout the year.

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<sup>1</sup>Eighth General Report, point 216.

Since certain categories of workers - migrant workers, women, the young and the elderly - are particularly vulnerable in a deteriorating employment situation, specific measures should be taken to protect them (see below: Living and working conditions).

Proposals will also be made - before the end of the second quarter - to enable the European Social Fund to take action to deal with the effects of the present economic difficulties on employment. These would seek to create a climate in which workers could cope with the changes which may be forced on them by employment difficulties in the Community and enable them to find alternative employment in healthy sectors of the economy.

The new impetus given to vocational training policy should be viewed in this context. The Council has approved the setting-up of a European Vocational Training Centre. Regulations for its staff must now be adopted, financial arrangements approved and the Centre made operational (second quarter). Its initial work programme can then be finalized.

#### Workers' participation

Both the proposal for a fifth directive on the structure of public limited liability companies and the proposal concerning the Statute for the European Company make provision for workers' representation on the "supervisory board", a principle which has already been put into practice in certain Member States. Attaching the highest importance to the general acceptance of this principle, the Commission intends to publish a green paper on the question in March. The Commission hopes by this means to renew discussion of this matter and to prepare the way for tangible results on workers' participation.

#### Living and working conditions

Equality between men and women as regards access to employment, vocational training and advancement and working conditions.

A memorandum now being finalized by the Commission will include:

- (i) a proposal for a Council Directive;
- (ii) further proposals to be presented in the course of the year with a view to enabling the Social Fund to grant assistance to integrated programmes, at local level, for the promotion of female employment.



Action programme for migrant workers

A first set of proposals for the implementation of this programme will be sent to the Council in the first quarter and will deal with:

- (i) the extension of trade union rights to Community migrant workers;
- (ii) the settlement of conflict of laws;
- (iii) the standardization of systems for paying family allowances.

Vocational and social reintegration of handicapped persons

The Commission will continue to implement the first programme adopted by the Council on 27 June 1974<sup>1</sup> and mainly concerned with training. In addition, the Commission will prepare a number of measures dealing with the social and medical aspects of the rehabilitation of handicapped persons (fourth quarter).

Social protection

The Commission is currently setting up machinery for the concertation of "social protection" policies, so that common guidelines for future development may emerge and provide a coherent framework for various measures, particularly in the field of social security (fourth quarter).

First social budget

The Commission will endeavour to transmit a revised budget, with the forecasts extended to 1976, to the Council in the fourth quarter.

Protection of workers in cases of individual dismissal

A proposal will be sent to the Council (fourth quarter) to supplement the protection measures contained in the directive on mass dismissals. This has recently received Council approval.

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<sup>1</sup>Eighth General Report, point 230.

Humanization of work and job enrichment

Following the 1974 seminar, the Commission will present a report to the Council at the end of the third quarter.

Inauguration of the European Foundation for the Improvement of Living and Working Conditions

Health protection

Establishment and implementation of the first Commission programme concerning health and safety at work (end of February), in conjunction with the new tripartite Advisory Committee set up in 1974.

Commencement and implementation of the third ECSC programme of social research into ergonomics and retraining.

REGIONAL POLICY

The decision taken by the Heads of Government in Paris on 9 and 10 December 1974<sup>1</sup> on the setting-up of the European Regional Development Fund and on the amount and breakdown of its resources must be embodied in formal Council decisions as quickly as possible. Once these decisions are adopted the Commission will do all it can to enable the Fund to move on to the operational stage and contribute to correcting the main sources of disequilibrium in the Community.

This said, the Commission feels that it must emphasize that the European Regional Development Fund, however important, is but one of the instruments of the Community's regional policy. In view of the inflation and rising unemployment which Europe is now witnessing, the Commission agrees with Parliament that the regional policy must be an overall policy. Hence, in the next few months, it will seek all possible means of channelling a flow of job-creating direct investment towards the poorer regions.

But above all it will work towards securing the establishment of one particular instrument which is designed not only to coordinate national regional policies but also to help other Community policies and the financial resources available to some of them to make a better contribution to regional development. The instrument in question is the Committee for Regional Policy which the Commission proposed setting up in July 1973<sup>2</sup> to assist the Council and the Commission in working out a long-term comprehensive approach to the Community regional policy.

Apart from seeking ways of coordinating national regional policies and of improving the degree of correlation between other Community policies and the objectives of regional development, the Committee will have to examine the problem of congested areas and frontier zones - Parliament itself has been manifesting considerable interest in this problem in recent months - and look for means of keeping public and private investors better informed. Commission staff are preparing the Committee's activities.

<sup>1</sup>Eighth General Report, point 206 et seq.

<sup>2</sup>Seventh General Report, point 224.

ENVIRONMENT POLICY

In 1975 the Commission will send a number of proposals to the Council in accordance with the programme and timetable adopted by the Council on 22 November 1973<sup>1</sup>. Moreover, a number of projects planned for 1974 will not be undertaken until 1975, owing to both the complexity of the matters involved and the lack of resources.

Thus, during the first quarter, the Commission will transmit to the Council:

- (i) on water pollution, a proposal for a directive on the quality objectives for waters for fish-breeding purposes, a further proposal on the reduction of pollution from paper pulp mills and a draft outline agreement dealing with the fight against pollution arising from exploitation of the seabed;
- (ii) on air pollution, proposals on the determination of criteria for measuring the effects on man of a number of pollutants (carbon monoxide (CO), lead (Pb) and sulphur dioxide (SO<sub>2</sub>));
- (iii) on waste, a proposal on the management and storage of radioactive waste; in addition a committee will be set up to help the Commission in implementing a coherent policy on the disposal and recycling of waste and residues; and
- (iv) three miscellaneous items: a proposal for a directive on the collection and treatment of polychlorinated biphenyls (PCBs), a draft recommendation concerning a methodology for evaluating the cost of fighting pollution within industry, and a common procedure for reviewing information on the environment.

During the second quarter the Commission will transmit to the Council:

- (i) on water pollution, a proposal for a directive on the quality objectives for waters for shellfish breeding;

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<sup>1</sup>Seventh General Report, point 250 et seq.

- (ii) on air pollution, a proposal for a directive on the sulphur content of heavy fuel oils;
- (iii) on waste, a proposal for a directive on toxic and dangerous wastes;
- (iv) on noise pollution, a series of proposals dealing with criteria concerning the effects of noise on man and the abatement of noise emissions from construction equipment, lawn-mowers, two-wheeled vehicles and aircraft<sup>1</sup>.

During the third quarter the Commission will present a draft decision dealing with the exchange of information between surveillance and monitoring networks for fresh water. Another measure will deal with energy and thermal release from electricity generating stations. A report concerning the iron and steel industry will also be sent to the Council.

During the fourth quarter the Commission will transmit to the Council:

- (i) on water pollution, a proposal for a directive on waters for agricultural use and reference methods of analysis concerning parameters pertaining to drinking water and a report on the possibility of harmonizing legislation on the civil liability of the polluter with respect to other parties in the same country as the polluter or in another Member State;
- (ii) a draft decision on the setting-up of an office for approving new chemical substances;
- (iii) a proposal on the approximation of national laws on hunting with a view to protecting certain wildlife species threatened with extinction;
- (iv) a report on the state of the environment in the Community; lastly, a pilot network of primary schools to which environmental education is of interest will be created.

During 1975 the Commission will pursue its research effort on the environment by both direct and indirect action. It will also prepare the forthcoming three-year research programme.

The information procedure initiated by the agreement of 5 March 1973<sup>2</sup> will enable the Commission, as in the past, to monitor the progress of national laws on the environment and, if necessary, to put forward proposals for Community measures on the basis of draft national provisions.

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<sup>1</sup>As part of the programme for the abolition of technical barriers to trade.

<sup>2</sup>Seventh General Report, point 265.

Finally, 1975 will be marked by the preparation of the second programme, which the Commission hopes to send to the Council during the fourth quarter at the latest. Preference will be given in this programme to the fight against wastage.

## PROTECTION OF CONSUMER INTERESTS

The Commission will keep a close watch to ensure that the Council adopts the preliminary programme of the European Communities for an information and consumer protection policy<sup>1</sup> and will, in particular, implement the priority actions for which it provides. Thus, during the second quarter of 1975 the Commission will put before the Council a proposal for a directive on door-to-door selling and another on the labelling of foodstuffs.

During the fourth quarter this activity will be supplemented by:

- guidelines for the labelling of consumer products other than foodstuffs;
- a proposal for a directive dealing with the marking of unit prices on prepackaged products sold by weight or volume;
- if possible, proposals for directives dealing with consumer credit and the standardization of ranges of prepacked products.

As in the past, the Commission will pay close attention to the work of the Consumers' Consultative Committee. After a year's experience, the Committee will be in a better position to take an active part in the work of the Commission and to give opinions based on those aspects of Community policies which affect consumers. Accordingly, the Committee will, in the second quarter, on the basis of what has been done by its working parties, send a report to the Commission on the effects of the agricultural policy on consumers; this will be followed in the third quarter by a report on the whole problem of consumer prices. Lastly, in connection with work on the harmonization of foodstuffs legislation an Advisory Committee on Foodstuffs will be set up, on which the Consumers' Consultative Committee will be represented.

As far as agricultural policy is concerned, the Commission will, in accordance with the provisions of the Treaty, ensure that its price proposals for 1976/77 take account of consumer interests.

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<sup>1</sup>Eighth General Report, point 255.

RIGHTS OF COMMUNITY CITIZENS

In addition to promoting attainment of the individual rights and freedoms expressly written into the Treaties, the Commission will ensure, as part of the continuing process of formulating and developing Community law, that the fundamental rights of citizens are protected. The Court of Justice has in fact ruled (Nold Case, Judgment of 14 May 1974) that no measures incompatible with fundamental rights recognized and guaranteed by the constitutions of the Member States can be taken. The Commission intends to present a report to Parliament this year indicating the ways in which it proposes to prevent infringements of these rights.

The Commission also intends to make a contribution in connection with implementation of the decision taken by the Heads of State and Government at their meeting in Paris on 9-10 December 1974 to set up two working parties "to study the possibility of establishing a Passport Union and, in anticipation of this, the introduction of a uniform passport" and "to study the conditions and the timing under which the citizens of the nine Member States could be given special rights as members of the Community".