industry and society

WEEKLY

REPRODUCTION AUTHORIZED

Brussels, 18 June 1974 No 24/74

**Every day in the European Community firms are changing hands or merging. Such changes in the structure of European industrial companies are on the increase. What happens to their workers? The European Commission has just put forward a proposal to the Council of Ministers of the Community for the adoption of a joint regulation guaranteeing WORKERS in the Community retention of their RIGHTS IN CASE OF COMPANY MERGERS, TAKEOVERS OR AMALGAMATIONS.

ANNEX 1 is a short summary of this proposal.

**Damage to foodstuffs during storage, transport or, more generally, whilst they are on offer, is essentially caused by the growth of microbes, bacteria, mildew, yeast, etc. IRRADIATION OF FOOD PRODUCTS can eliminate

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The information published in this bulletin covers the European Communities' activities in the fields of industrial development, protection of the environment and consumer welfare. It is therefore not limited to recording Commission decisions or opinions.

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this bacterial flora or prevent it spreading (see I&S No 9/74). In the case of some products and under certain marketing conditions (highly perishable products difficult to transport, for example) it would appear that irradiation techniques are the most appropriate method of supplying consumers with high quality products. Currently, public authorities are exercising very strict supervision over the consumption of irradiated products. But in the last few years more and more countries have authorized the consumption of such products as a result of the progress achieved in a large number of research projects on irradiation methods, their effectiveness and their freedom from harmful effects.

ANNEX 2 gives details on this subject.

**We have asked various organizations in the Community responsible for consumer protection matters to supply us periodically with details of the latest developments on subjects of direct interest to CONSUMERS. It should be understood that these articles are the sole responsibility of their authors.

ANNEX 3 is an article sent to us by the Luxembourg Consumers' Union.

**From now on the 6.2 million MIGRANT WORKERS employed in the European Community will benefit from grants from the European Social Fund. This is one of the decisions taken by the Council of Ministers for Social Affairs at their meeting in Luxembourg on 10 June. This aid will be granted first and foremost to

the least favoured Community workers, that is essentially to Italian and Irish workers. They will be given language courses and vocational training in their country of origin and supplementary aid upon their establishment in the foreign country. Workers coming from countries outside the Community will be received by information centres in the host countries and will be able to take language courses in order to make it easier for them to adapt to their new way of life. The Council of Ministers also decided to extend the application of the European Social Fund to handicapped workers, who will benefit by pilot programmes for vocational readaptation. The Council postponed adoption of the European Commission's proposal on mass redundancies (see I&S No 162) and will be taking up the matter again in September.

**During its last session the <u>EUROPEAN PARLIAMENT</u> delivered its Opinion on several proposals drawn up by the European Commission:

EUROPEAN FOUNDATION FOR IMPROVING LIVING AND WORKING CONDITIONS:
The European Parliament approved the Commission's proposal
(see IRT No 213) but asked the latter to give more details
regarding the duties of the Foundation, believing that the
Foundation should concern itself not only with improving living
and working conditions but also with environmental protection.

"POLLUTER PAYS" PRINCIPLE (see I&S No 10/74): Parliament approved the principle and invited the Commission to submit as soon as possible more specific proposals for its application.

EUROPEAN STATUTE FOR THE MIGRANT WORKER: Parliament invited the Commission to present proposals for details of a European statute for the migrant worker by the end of March 1975. This statute would constitute an effective instrument for improving the position of this category of worker within the Community.

ADAPTING ENVIRONMENTAL PROTECTION DIRECTIVES TO TECHNOLOGICAL PROGRESS: Parliament pronounced in favour of instituting a committee of experts responsible for this adaptation. The committee would have consultative status and not in any way limit the powers of the European Commission.

**The European SOCIAL FUND will be contributing 216 000 units of account (1 u.a. = about US \$1) to four PILOT PROJECTS covering the craft training of personnel employed in the meat industry in Brittany; the creation of a training centre for applied computer technology in industry at the Université du Travail of Charleroi (Belgium); the integration of young mentally handicapped persons from France, Belgium and the Netherlands into groups of young people who are working on the restoration of an abandoned village in the Ardèche department; and research and development for a multi-skills training programme in Italy. This contribution amounts to about 50% of the total cost of these projects. These experiments are to help the European Commission and the Council of Ministers of the Community to decide on areas where the European Social Fund can intervene and to permit the Member States to select the most useful types of vocational training and retraining aids.

In addition, the Social Fund will contribute about 91 000 units of account to the carrying out of a series of preparatory STUDIES in various Member States on the needs of migrants and their social and vocational integration, and on the readaptation of severely handicapped persons.

- **There are considerable differences between the SPEED LIMITS in force in the Member States of the Community. The European Commission believes that this could lead to difficulties, particularly at economic level and in the matter of road safety, and has invited the Member States to examine the possibility of concerted action at Community level. A preliminary informal meeting of government experts is to be held in Brussels in the not too distant future.
- ***In order to complete the documentation available on EMPLOYMENT AND WORKING CONDITIONS FOR WOMEN, the European Commission has requested an independent group of experts to draw up a report on the problems connected with female employment in Denmark, Ireland and the United Kingdom. Given the state of progress of the draft, it should be possible to make this document available to the public some time during the summer.
- ***Between 1969 and 1972 the TOTAL AREA USED FOR AGRICULTURE in the European Community decreased by about 1.1%. This decrease seems to be inevitable, particularly in urban areas and areas earmarked for development (where quite considerable stretches of land are lost to agriculture each year), in view of the constant growth of the network of roads and motorways and the growing significance accorded to the provision of amenity areas.

It seems that all Member States are seeking to establish a system of sharing land out fairly between agriculture, forestry, and leisure pursuits and of ensuring that this is respected. Together with national experts, the European Commission is currently examining proposals for a research project on the use of natural resources. The research would determine the effects of modern farming methods on harvests and land utilization and would study the problem of relations between urban and rural environment, as well as the use of agricultural land for leisure purposes.

**The deterioration of MOTOR VEHICLES as a result of age or neglect of their maintenance affects their safety and functioning and can cause accidents. National regulations for VEHICLE TESTING vary, particularly as regards categories of vehicles subject to compulsory testing, the period between tests and their extent, the age of the car at its first test, etc. In 1972 already the Commission had put forward proposals for a directive to the Council of Ministers of the Community with a view to harmonizing legislation on this matter. In order to embody the Opinions expressed by the European Parliament and the Economic and Social Committee, the European Commission has just redrafted its proposal and made it more precise.

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RIGHTS OF WORKERS IN THE COMMUNITY IN THE EVENT OF COMPANY MERGERS

Every day, in the European Community firms are changing hands or amalgamating. Such changes in the structure of European industrial companies are on the increase: in 1970 more than 600 industrial mergers took place in the original Community of the Six. What happens to workers in these companies? Have they any guarantee that they will remain in employment and, if so, are they certain to retain any advantages they have acquired in respect of remuneration, conditions of work, or privileges accruing by virtue of seniority. In France, Germany, Italy and Luxenbourg, there is already some measure of protection for workers which permits them to retain at least a proportion of their rights if their company changes hands or merges with another. In the other five Member States, legislation is very vague and incomplete in respect of guaranteeing the retention of workers' rights.

The improvement of working conditions for all European workers and the uniform application of guarantees in respect of their rights are among the principal objectives in building a united Europe, as was particularly stressed by the European Heads of State at the Paris Summit in 1972. Last January the Council of Ministers of the Community adopted a Community Social Action Programme and established a preliminary list of priority actions (see I&S No 1/74) with the object of improving the social situation in the Community and achieving a veritable European social union. The list of priority actions includes implementing

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joint legislation at European level with the aim of guaranteeing workers the retention of their rights in case of company mergers, takeovers and amalgamations. The European Commission has just put forward a proposal that the Council of Ministers should adopt such regulations.

If adopted by the Council of Ministers, these regulations would mean that, where there is a structural change in the company employing them, workers retain the same position they would have had, had there been no change of employer. This means that the new employer is bound to respect the terms of any collective agreements which were recognized by his predecessor employer. It also means that in his new work contract the worker retains any benefits to which he has acquired a right by virtue of seniority (bonuses, redundancy notice and allowances, extra leave, etc.). This regulation also prevents the former and the new employer dismissing personnel in the case of such mergers, takeovers or amalgamations except, of course, in case of overriding necessity. What is understood by "overriding necessity" is for instance where there is a complete change in the production line - where for instance a foodstuffs industry is transformed into a metal construction industry. In such cases dismissals may be authorized.

This raises another problem - that of mass redundancies, in connection with which the European Commission has also put forward a proposal for joint regulations to the Council of Ministers (see IRT No 162). This regulation would guarantee better protection of the rights of workers threatened with dismissal and include the obligation on employers to consult

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workers' representatives with the aim of reaching an agreement and avoiding redundancies, and notification of redundancies to public authorities, which would then have the right to intervene, and which could, in particular, block redundancies for a period, etc.

In face of the trend in European economic and industrial structures and, more particularly, in face of the growing phenomenon of industrial amalgamation, the European Commission is making every effort to protect the interests of workers and consumers (see I&S No 23/74) so that they should not be "left by the wayside" by economic progress. The proposal for the retention of workers' rights in cases of mergers, takeovers and amalgamations should be adopted by the Council of Ministers before the end of 1974. The adoption of this type of Community regulations would constitute fairly significant progress in the development of relations between workers and employers, and would be quite a positive step towards the construction of a new Europe "with a more human face" and showing greater concern for the well-being of its inhabitants.

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IRRADIATION TECHNIQUES APPLIED TO THE PRESERVATION OF FOODSTUFFS

Damage to foodstuffs during storage, transport or, more generally, during marketing, is mainly caused by the growth of microbes, bacteria, mildew, yeast, etc. Irradiation of food products can eliminate this bacterial flora or prevent it spreading (see I&S No 9/74). In the case of some products and marketing conditions (for example very perishable products difficult to transport), it would appear that irradiation techniques are the most appropriate method of supplying consumers with high quality products. Currently, public authorities are exercising very strict supervision over the consumption of irradiated products. But in the last few years more and more countries have authorized the consumption of such products as a result of the progress achieved in a large number of research projects on irradiation methods, their effectiveness, and their freedom from harmful effects.

Research undertaken by the European Commission

In cooperation with European research institutes, particularly the ITAL Institute at Wagenringen (Netherlands), the European Commission has for several years been conducting research on irradiation of foodstuffs. This research is concerned with three aspects:

Microbiology: Here it is a case of perfecting methods by which bacterial flora present in all foodstuffs can be inactivated, thus preventing decay.

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Edibility of irradiated foodstuffs: Here it is a case of finding the right balance between irradiation doses necessary for eliminating bacteria or preventing germination where this is desirable, and the level of dosage which would adversely affect the edibility of the product (by changing the taste or introducing toxic products). It is therefore a matter of discovering methods to inactivate microorganisms by means of relatively low doses. These methods may be combined with other types of treatment (cold, heat) or it may be that methods for rendering the microorganisms responsible for decay more sensitive to ionizing radiation will be discovered.

The technological aspects: On this field research is mainly concerned with techniques for the packaging and manipulation of the irradiated products.

Marketing of irradiated products

Currently, various countries have authorized the free or controlled marketing of about 20 irradiated products. The USSR and eastern countries generally were the first to issue such authorization. The consumption of irradiated potatoes has been approved in the USSR since 1958, and the marketing of about a dozen irradiated products is currently permitted (corn, poultry, onions, prepared meat, fruit and vegetables, etc.). In western countries the marketing of irradiated potatoes is authorized in Denmark, the Netherlands, France and Italy. In the Europe of the Nine, the Netherlands is the country which authorizes the widest marketing of these products (currently this includes about a dozen: spices, shrimps, mushrooms, poultry, etc.).

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In certain countries some hospital patients receive irradiated products in their diet since these are bacteriologically pure (this applies to Germany, the Netherlands and the United Kingdom).

It is quite certain that irradiation techniques will never be used for all products or under all circumstances, e.g., products consumed locally or those for which traditional preservation techniques have proved satisfactory, and for which irradiation techniques are uneconomic. However, the fact remains that, where traditional methods of preservation have proved ineffective or dangerous to health(preservation by harmful chemical substances, for example) irradiation presents a possible solution.

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RECENT DEVELOPMENTS IN CONSUMER PROTECTION IN LUXEMBOURG

We have asked various organizations in the Community responsible for consumer protection matters to supply us periodically with details of the latest developments on subjects of direct interest to consumers. It should be understood that these articles are the sole responsibility of their authors. The following article was sent to us by the Luxembourg Consumers' Union.

1. Consumer Code

To mark the completion of work on which it has been engaged for several years, the Luxembourg Consumers' Union (ULC) will shortly be publishing a "Consumer Code". This Code, published in four volumes in loose-leaf binders, is a collection of the text of all laws, and some decisions handed down by tribunals, covering consumers' rights. It is financed by the Government and the National Publications Office will be responsible for its distribution. The ULC, which is responsible for the contents of these volumes, will see to it that the legislative texts are kept up to date.

This undertaking by the ULC will be of great interest not only to the consumer but also to public authorities, which, with the aid of this volume, will be able to find their way more easily through the labyrinth of legislative and regulatory texts.

2. Increased rights for individual members of ULC

At its Annual General Meeting this year the ULC, by changing its statutes, granted its individual members increased rights and,

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above all, the right to a larger number of representatives. Up to now, individual members had the right to one representative only on both the Administrative Council and the ULC Supervisory Committee. In future, they will have the right to two seats on each of these bodies.

This change was necessary because of the considerable increase in the number of individual members. The ULC now has no less than 9 000 members, a very noteworthy figure for a country like Luxembourg.

By changing its Statutes, the ULC has also reinforced its autonomy. As is known, it was founded in 1961 by trade unions, consumer cooperatives, womens' and family organizations, to protect the consumer. However, only those consumers who become individual members of ULC and pay their annual subscription benefit from its services. Although on paper the ULC is still an emanation of the founder organizations (which continue to be in the majority on the Administrative Council), the large increase in the number of individual members means that in practice it is increasingly in a position to carry on its functions thanks to individual members' subscriptions and financial aid from the State. This situation has also been affirmed on paper by the extension of the right of representation for individual members.

3. A thought on the horizon - A consumer tribunal

In consumer circles in Luxembourg there is currently talk of setting up a "Consumer Tribunal". The aim and object of the new body would be to reduce the work load of the ordinary Courts and

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to help consumers involved in litigation to obtain the fairest possible solution at the lowest possible cost. Based on the form of the labour arbitration tribunals, the "Consumer Tribunal" would comprise representatives of all interested groups. The ULC will make every effort to reach an agreement on these lines with the Chamber of Commerce, which in Luxembourg is the official representative of trading and business circles.