

WEEKLY**REPRODUCTION AUTHORIZED**

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** The European Community is turning its attention to the canker of poverty. A seminar has just been held by the Commission on the theme of "ACTION AGAINST POVERTY", which was attended by experts from Member States of the Community.

ANNEX 1 gives details of action the Community could undertake to help solve the problem.

** ANY SELF-EMPLOYED PERSON from any Community country MAY ESTABLISH HIMSELF in any other Community country, AND ENJOY THE SAME RIGHTS as citizens of the host nation. A recent decision by the European Court of Justice in the case of a Dutch lawyer who wished to practise in Belgium is a timely reminder of this fact.

ANNEX 2 gives details of the case.

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Further information is available from the Commission's press and information offices in the countries listed on the inside cover.

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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** In order to encourage the flow of mutual information within the Community, we have asked the various television programme producers to tell us briefly what each television network broadcasting in the Community does to help consumers.

ANNEX 3 is an article on WHAT TELEVISION DOES TO HELP CONSUMERS IN THE UNITED KINGDOM.

** 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 4 is an article sent to us by the Italian Consumers' Union.

** The European Commission has developed its proposals for an INDUSTRIAL POLICY based on the Paris Summit declaration of October 1972. These were forwarded to the Council on 3 May 1973. On 17 December 1973, the Council scheduled all the proposals, except those on information, for decision by 1 July 1974 (see IRT No 213). The measures proposed by the Commission are in line with objectives that it would be difficult to challenge at European level. They are relatively modest and mostly involve programmes of action that cannot be carried out without the Council's participation and ultimate approval.

** In spite of this, work in the Council's departments, which has been going on for a year, has ended in a subtle interplay of technical amendments, legal reservations and counter-proposals,

making dossiers so confusing that it appears impossible to present for decision either the Commission proposals, or any counter-proposals.

One cannot help but wonder whether this accumulation of technical obstacles is not simply the expression of some really basic hesitation on the part of the Governments of Member States to implement a joint industrial policy. But, even if this were the case, it would have been desirable for the Council to meet as the Council of Ministers for Industry, with the Commission, for a thorough discussion of the political difficulties standing in the way of implementing a joint industrial policy, since the wish for such a policy has been expressed on several occasions.

Mr Spinelli, the member of the European Commission with special responsibility for Industrial Affairs, raised this cry of alarm at a meeting of Foreign Ministers of the Nine member countries of the Community in Luxembourg on 25 June 1974.

** THE EUROPEAN INVESTMENT BANK is to contribute 15.6 million units of account (1 u.a. = ca. US \$ 1), towards financing a huge waste water purification plant which will considerably reduce POLLUTION IN THE RHINE. Basically the project consists of a plant for neutralizing acid water, a biological purification plant and a sludge treatment plant. Once construction is completed, pollution in the Rhine will be reduced to a level which complies with the standards adopted by the European Convention on water pollution, and by the European Commission. This is the second loan by the European Investment Bank for a project intended entirely for environmental protection. In 1973, the Bank financed part of the plant for extracting dust from smoke emissions in a German steel works.

** On 21 June 1974, at the third meeting of the Community's CONSUMERS' CONSULTATIVE COMMITTEE, a new President was elected to succeed the late Mrs Groes. He is Mr Anthony Dumont, Chairman of the British Consumers' Association, and Vice-President of the Bureau Européen des Unions de Consommateurs - BEUC (European Bureau of Consumers Unions). Mr Dumont is a lawyer specializing in consumer law. Opening the Committee's proceedings Mr Scarascia-Mugnozza, Vice-President of the European Commission, stressed the important role of the mass media in informing consumers and defending their interests. He also indicated that the European Commission department responsible for consumer protection policy would soon be enlarged. At the meeting the Consumers' Consultative Committee urged the Council of Ministers to give their verdict on the preliminary consumer protection programme proposed by the Commission (see I&S No 22/74) by the deadline set, i.e., 31 July 1974. The Committee also held a wide-ranging discussion on the effect of the present energy situation on consumers. It plans in the near future to publish its opinion on the Commission document defining the new Community energy policy. The Committee instructed its bureau, in conclusion, to draw up a programme of work for the next two years.

** In early spring, industrial production continued at a high level throughout the Community, expansion being most marked in the chemical and iron and steel industries and in the basic materials and producer goods industries. Some sectors, however, particularly the motor industry, and in several member countries textiles and clothing too, appeared to be working at below full capacity. As regards jobs, the slight rise in unemployment recorded at the end

of the first quarter persisted in the following weeks. In most member countries, the rise in the cost of living gathered even more speed. There were substantial increases in the prices of textiles, leather and furniture.

** The Commission has approved a series of FINANCIAL AIDS FOR LOW COST HOUSING for workers in the coal and steel industries in Denmark (Dkr 5 million), France (FF 2.3 million), Ireland (£135 700), and Luxembourg (Fl 25 million). Similar aids (in the form of low-interest loans) have already been given this year to other Community countries.

** Stocks of WINE in the European Community currently amount to 80 million hectolitres and, after the 1974 grape harvest, large surpluses will be available. This means that there is a risk of wine prices falling, thus causing a serious crisis on the European wine market. At the request of France and Italy, the European Commission has put forward to the Council of Ministers a proposal for a PROGRAMME FOR DISTILLING TABLE WINES, which should stabilize the wine market. The programme provides for the negotiation of supply contracts between producers and distillers. The latter will receive aid from the Community in proportion to the number of hectolitres of wine distilled, and its quality.

** Apart from a few amendments which the European Commission has accepted, the European Parliament has approved the Commission's proposal for a directive on the DISPOSAL OF WASTE OILS (see I&S No 12/74).

** At its opening meeting on 21 June 1974, the SCIENTIFIC COMMITTEE ON FOODSTUFFS FOR HUMAN CONSUMPTION (see I&S No 17/74) elected Professor Truhaut as Chairman. Professor Truhaut, who holds the Chair of Toxicology in the Pharmaceutical Faculty at the University of Paris, is a member of the Académie nationale de Médecine (national academy of medicine) and of the Conseil supérieur d'Hygiène publique de France (French board of public health). At this meeting the Committee received two requests for an opinion from the departments of the European Commission: the first relating to the maximum permissible level of mercury in foodstuffs, particularly fishery products, and the second, on the effects produced on the human organism by the consumption of colza oil.

** Some time ago, departments of the European Commission made a pilot study which can be used as a model for economic and financial analysis. Based on this, DAFSA (Société de Documentation et d'Analyse Financière) has now published a paper on THE WORLD STEEL INDUSTRY. (Address: DAFSA, 125 rue de Montmartre, 75081 Paris, Cedex 02).

THE EUROPEAN COMMUNITY TURNS
ITS ATTENTION TO THE CANCER OF POVERTY

Ten million poor in the European Community. Ten million people who do not have what they need in the way of material possessions, and who suffer from the lack of such basic items as work, education, culture, political power, social standing and human dignity. Ireland estimates that 24% of its population is poor; in Belgium and France the figure is 10% whilst for the United Kingdom it is 9%. Germany and the Netherlands give no figures.

Who are these ten million? In the main they are the old, the sick, the physically and mentally handicapped, widows, unmarried mothers, divorced women, or large families, housed in substandard accommodation or affected by unemployment, migration or inflation. In other words, they belong essentially to the insecure sections of society excluded for reasons of age, sex or physical or mental handicaps from the production process and its rewards. They are either victims of some situation or misfortune, or else of an inability to adapt to rapid economic change for which the public authorities have not made allowance enough to benefit them. This social group is not able to extricate itself on its own from the situation imposed upon it, and therefore needs collective assistance and support, before it can do so.

The Member States of the Community possess highly sophisticated social security systems which provide the whole, or practically the whole of the population with security against old age, illness, invalidity, unemployment, or accidents at work. Over and above this, several States operate a system of family allowances, which more or less take account of what the recipients' resources are. Some social groups, however, remain outside largely because they do not carry on any occupation, or

have not done so in the past. Most Member States are therefore planning to take action against the root causes of poverty, with a view to changing attitudes among the sections of society most deprived and ensuring their reintegration. In this connection, action has been undertaken in at least three areas: housing, education and health.

In most Member States nevertheless, those responsible for combatting poverty attach great importance to "mini-projects", which, with a view to assessing their effectiveness, employ the whole range of intervention methods, on a narrow front, for the benefit of a clearly delimited target population. Generally speaking, this type of project offers ideal scope for studies in detail. It may serve as a pilot-scheme once it has been decided what is of general application and what is not.

This is the approach which the European Community plans to adopt in implementing Community action against poverty.

The European Community could intervene by financing a number of specific projects which might serve as pilot-schemes for Member States in any action they undertook to aid the "quart-monde", excluded from the benefits received by the rest of society. In cooperation with Member States, a number of pilot projects would be thus carried out which would help to determine the most effective means of assisting the poorest sections of the population. It was in order to define the content of this programme that the European Commission recently held a seminar on poverty, attended by about 60 persons, including representatives of government services, private organizations, and research and social workers who are studying the problem in the nine Member States of the Community. This seminar made possible a wide-ranging exchange of views between participants and the relevant departments of the European Commission, and the general lines of a Community action plan were drawn up as follows: pilot projects will be prepared by the European Commission,

in collaboration with a working group of ten experts from Member States. These projects will have to meet the criterion of originality, the aim being to seek out new approaches to combat poverty rather than encourage more of the same type as before. Each experiment will have to be capable of general application, as a guideline for future local, national and international policies, and each project will be programmed to allow of regular checks, studies and assessments. In short, every experiment will have to provide for the participation and involvement of the people concerned, both at the planning and implementation stage. Projects may vary and include, for example, information campaigns about existing social services, action to explain how the system of national insurance works, the promotion of cultural activities in some districts, the establishment of medical centres, and so on.

FREEDOM OF ESTABLISHMENT FOR COMMUNITY WORKERS

Lawyers do not always know their law - Community law, that is. This law states that European workers must be able to move freely within the Community. But of course, the application of the law is sometimes complicated, as is shown by a recent case which the European Court of Justice has just settled. Because of his nationality, a Dutch citizen who had studied in Belgium and received a Belgian Doctorate of Laws, was refused admission to the Bar at Brussels, without which he could not practice as a lawyer in Belgium. The refusal was based on a Belgian Royal Decree which limits membership of the profession to Belgian nationals. The case was brought before the European Court of Justice which has just handed down its verdict - refusing a European citizen, who fulfills all the conditions required of a Belgian national in respect of training and qualifications, access to the Belgian Bar - is contrary to Community law.

This decision by the Court of Justice is a pronounced step forward in the achievement of an objective essential to European integration, namely, freedom of establishment for self-employed Europeans, in any one of the nine countries of the Community. From now on architects, engineers, company directors and members of the liberal professions will be able to refer to this decision by the European Court of Justice, to challenge in national courts any discrimination based on nationality. Provided that he has obtained the qualifications of the country where he wishes to settle, any person who is a national of the European Community will be able to practise his profession in any of the nine Member States.

There are certain limitations however to this principle in practice.

First of all, Community provisions exclude freedom of establishment as regards activities coming under the head of "exercising a public function". It is possible to interpret this clause more or less freely, but the decision just given by the European Court of Justice defines the limits very precisely. It could be argued that a lawyer who is one of the main agents of justice in a country to some extent "exercises a public function". In its verdict, however, the Court of Justice states that unless the exercise of such a function is "direct and specific", lawyers may enjoy unrestricted freedom of establishment. Only judges, notaries and court ushers, for example, who more directly exercise a public function, are therefore excluded from having freedom of establishment.

There is a further limit to freedom of establishment however, namely the mutual recognition of diplomas and professional qualifications. This is a fundamental problem for which a solution will have to be found before workers can move freely in practice throughout the European Community. For instance, it is very possible that the Dutch citizen who has just obtained satisfaction through the European Court of Justice and may now practise as a lawyer in Belgium may not be authorized to practise in the Netherlands, since he holds a Belgian qualification which is not recognized by his country. Significant progress was made recently in this connection (see I&S No 23/74) when the Community's Ministers of Education agreed to approach this complicated problem flexibly and pragmatically. This should permit of rapid progress towards mutual recognition of qualifications and thus open up frontiers within the Community completely, so that workers in member countries can exercise complete freedom of choice with regard to the Community countries where they wish to establish themselves.

WHAT TELEVISION DOES TO HELP CONSUMERS IN THE UNITED KINGDOM

In order to encourage the flow of mutual information within the Community, we have asked the various television programme producers to tell us briefly what each television network broadcasting in the Community does to help consumers. It should be understood that these articles are the sole responsibility of their authors.

The following article was sent to us by "Response Consumer Communications", a British journalistic venture concerned with making consumer information more widely available in all the media. It is independent of any consumer, business or broadcasting organization.

Television broadcasting in the UK is carried on by the BBC which has two national networks financed by viewers' licence money (one of these has a small amount of opt-out regional programming) and also by the Independent Broadcasting Authority. The IBA grants licences to 15 companies to broadcast in 14 areas of the country and these companies finance themselves by selling about six minutes of each hour of their broadcasting time for advertisements. There must be no connection between advertising and programme content.

The BBC produces approximately 140 hours of programmes per week on its two channels and the 15 commercial companies average 156 hours. Of this time the BBC produces about 20 minutes of regular consumer programming weekly and three of the IBA companies originate an average weekly total of an hour. Depending on the area of the country in which you live you would be able to see either (on both BBC and IBA stations) three different regular programmes or only one report of about 15 minutes on BBC-1. In addition there are some hours of broadcasting on all three channels given over each week to documentaries

and magazine programme reports which investigate from a consumer viewpoint or which put forward that viewpoint. No UK consumer organization or group has a programme under its own control but most are invited (or actively seek) at some time to express their opinions or give the results of any research in the many news and current affairs programmes. These contributions are therefore under the control of the individual programme producers.

1. Regular programmes originated by the BBC

The BBC produces no regular programme solely devoted to consumer viewpoint. All television broadcasting of this type is presented within the context of other programmes or series (an eccentric exception to this will be noted later). The main BBC programmes to which a consumer might look for regular information are:

- (a) "Nationwide". This is a news magazine programme broadcast each weekday from 1800 hours for about 50 minutes. It is intended for family viewing. Each Thursday approximately 15 minutes of the show is devoted to a wide range of consumer matters. This is watched by roughly $10\frac{1}{2}$ million viewers throughout the country. The producer of this consumer section of Nationwide regards its aim as 'informing consumers of their rights' and its successes are causing some shady firms to go out of business as a result of television publicity being able to express public concern to the politicians in such a way as to help cause an Act of Parliament to include a clause to ban re-pricing of goods on shop shelves and also getting the rights of caravan owners raised in a parliamentary debate. This production uses both studio material and specially shot film.

- (b) "Pebble Mill at One". This general magazine programme is seen every weekday throughout the country at 1300 hours. It runs 45 minutes. During each week it will carry some items of specific consumer interest and its interviews and reports can be informative. Basically a studio programme, it does use film reports from time to time.
- (c) Once each week the 1 hour 15 minute long Afternoon Programme (starting at 1445 hours) includes a five minute report on food prices called "Shopping Basket".
- (d) "That's Life". This is the 'eccentric exception' referred to earlier and which is publicized by the BBC as 'a late-night collection of real-life jokes, dramas and problems'. This programme is usually broadcast on Saturday at 2305 hours and runs 40 minutes. Consumer problems are used as the basis for displays of humour and a particular sort of wit on the part of the performers. Arguably it has had a negative effect on the consumer cause.

2. Programmes originated by the IBA companies

- (a) "Good Afternoon". (Produced in London by Thames Television Ltd.). This is a general magazine programme broadcast every weekday at 1430 hours for about 25 minutes. Once every two weeks on a Friday the transmission is given over entirely to consumer matters. This is networked through half the IBA regions. In London alone it is seen by 1.7 million people. The two presenters cover a wide range of topics on film and pre-recorded videotape from 'best buys' in consumer durables to food additives, the effects of advertising, consumer education or loopholes in the Welfare State. It may deal with three topics per programme or only one. Its emphasis is on investigation and information. It does not trivialize its material.

- (b) "This is Your Right". (Produced in Manchester by Granada TV). Seen only in Lancashire this weekly programme aims to give advice on a wide range of social problems. It is seen on Mondays at 1825 hours, runs 15 minutes and reaches 800 000 homes. Each week it receives about 300 letters and 50 phone calls from viewers and the advice of its panel of experts is made available both on and off the screen. It is popular, its reputation is one of sympathy and it is especially geared to its community. Consumer queries and problems form more than half its content and concern. This is a studio based production.
- (c) "Citizens' Rights". (Produced in Birmingham by ATV Network Ltd.). This weekly 30 minute programme aims to give clear information on citizens rights concerning a wide range of social matters. It is seen in the Midland region only on Monday at 2230 hours and repeated on Sunday at 0930 hours. We have not been supplied with audience figures. The usual format for this show is for a studio audience (aided by specially briefed reporters) to confront a panel of experts with their problems, but once a month a specially consumer oriented programme is mounted. This "Miscellany", as it is called, presents specific problems to a series of experts, each particularly skilled in relation to the query and not to the entire topic as in other programmes. Their advice and appraisals are usually summarized in the form of possible action based on the citizens rights. Once again this is a studio based production using no film.

Conclusions

Broadcasting for consumers in the UK follows no overall policy or pattern. Little regular broadcasting is undertaken specifically from this viewpoint because it is only now being delineated and understood. There is however a range of casual programmes produced from this view, almost accidentally. It would seem that where specific consumer broadcasting is undertaken it attracts good audiences (especially considering the times of transmission) and often brings goodwill or prestige to the producing organization. No organization of consumer interests has access to regular air time other than through broadcasting organizations and their professional producers.

RECENT DEVELOPMENTS IN CONSUMER PROTECTION IN ITALY

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 Italian National Consumers' Union (UNC).

1. Two draft laws of particular interest to consumers have just been introduced by the Government:

The first, originating from the Minister for Industry, will permit the Government to adopt provisions regarding the recognition of regional or geographical trade names for agricultural, industrial and handicraft products. The aim of this draft law is to extend the quality label (previously granted to some wines and cheeses and certain types of ham such as Parma and San Daniele) to a wide range of products (a large variety of cold cuts, olive oil, vegetables, fruit, nougat, pottery, glass artifacts, carpets, crockery, musical instruments, liqueurs, textiles, jewellery and leatherwork).

The National Consumers' Union (UNC) has declared itself, in principle, in favour of this draft law allowing the consumer to turn to a range of products which, in view of their guarantee of origin, will have to comply with certain quality standards, but this must not have the effect of raising prices as was the case with the products already protected by such recognized registered designation.

The second draft law concerns the regulation of foodstuffs advertising and provides that all TV, radio or press advertising of food products shall be subject to prior approval by the Minister of Health. Under it, public or private firms will be required to submit the text of their advertising material for foodstuffs to the Minister of Health, who will check that the information they contain is correct. Manufacturers will therefore have to submit an explanatory note to the Minister concerning the organoleptic characteristics, chemical composition and nutritional value of the products referred to in advertisements.

2. As regards the fight against rising prices, the UNC has sent a letter to the Ministry of Education protesting against the request made by publishers to increase the price of school textbooks. The UNC again stresses the need to make every effort to reduce the price of textbooks, especially in compulsory education, to the absolute minimum. The UNC has therefore requested that:

- (i) the range of textbooks should be limited to those which are of actual use;
- (ii) savings should be made in the amount and quality of the paper used, by cutting out superfluous reading material and expensive illustrations;
- (iii) expenditure on advertising should be limited;
- (iv) compensatory arrangements should be made, to help school libraries, along the lines of the experiments undertaken by the Trento Provincial Administration.

3. The following should be mentioned in conclusion, under the heading of specific action undertaken by UNC in the interests of consumers:

- (i) The final report of the commission of inquiry into the family problems of workers has been approved by the Ministry of Labour. UNC is represented on the commission's Family Budget-Income and Outgoings Working Party. It has submitted a number of requests to the working party aimed for instance at including a course on the economics of consumer goods in the compulsory education curriculum. It also wants action to inform and educate the consumer who can and should benefit from existing methods of mass communication which have so far been the private preserve of the production and distribution industries.

- (ii) At the Ministry of Trade and Industry, a report has been drawn up by the committee (including a UNC representative) responsible for compiling a "shopping basket" of essential products. The committee has examined new price laws and has come out against price fixing in principle which is seen as causing market and production distortions which operate against the interests of the consumer and of the economy as a whole. Suggestions have therefore been put forward as to products which should be included in the shopping basket. These include food products such as bread, certain types of meat, pasta, ordinary rice, olive and seed oil, butter, margarine, some types of cheese, milk, eggs, cold cuts, poultry, domestic rabbits, certain tinned or frozen fish, and tinned vegetables, as well as other basic products such as washing-up liquid, detergents, clothing, household linen and school textbooks.