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A Telecommunications Common Market

Mini-computers, video telephones, satellites, etc. - there is no doubt that in about ten years time telecommunications will be much more important than now. The current telecommunications network (telephones, telegrammes, telex) will become much more complex because of the progress of remote information processing and will occupy a central position in the field of education, in legal and medical services, in business management, in industry, and even in day-to-day life. The establishment

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of a "telecommunications common market" will mean that it is possible to ensure true and fruitful competition between the various European producers of telecommunications equipment, and thus to reduce the prices and improve the quality of the services. However, such a widening of the public markets in this sector faces economic and technological difficulties, since existing networks have been established in accordance with widely differing standards.

Annex 1 is a short summary of a report drawn up by the departments of the European Commission on the possibility of progressively creating a planned European telecommunications network.

Role of European Trade Union Confederation

Currently 36 million European trade unionists are represented at the European Community, in Brussels, by a single organization, the European Trade Union Confederation, which has this year completed the integration of the various trade union movements of the Europe of the Nine.

Annex 2 gives a short account of the part played by the European trade unions in the construction of Europe.

TV and the Consumer - Meeting of European Programme Producers

About twenty producers of television programmes for consumers from all Community countries (except Ireland and Luxembourg) met in London from 30 September to 2 October at the invitation of the European Commission's Division for Industrial Information and Consumers. In a preview of selections from their respective programmes they laid the basis for future exchanges of complete consumer programmes or sections of them. In addition, they decided to start producing programmes with

subjects of European interest based on jointly assembled documentation. Finally, they requested the Commission's information department to arrange such meetings at regular intervals so that the links of cooperation between the various consumer protection programmes of the television networks of the Community countries may grow closer.

Urban Transport

What with traffic congestion and poor public facilities the situation of urban transport throughout the Community is becoming more and more critical. This being so, it would appear appropriate to look into the question of whether Community action in gathering and diffusing information, and evaluating and selecting new techniques used in Member States might not be useful.

The European Commission has therefore just decided to have a preliminary study put in hand on "the organization and prospects of urban transport in the Community".

Company Mergers - Protection of Workers' Rights

Between 1962 and 1970 the number of industrial mergers in the six Member States of the original European Community rose from 173 to 612. Last June the European Commission proposed that the Council of Ministers adopt a directive to protect the acquired rights of workers in cases of company mergers (see I&S No 24/74). It may be assumed that undertakings with an annual turnover of 1 000 million units of account (1 u.a. = about US\$ 1) play an important part in the process of concentration. In 1971 there were 57 industrial undertakings with a turnover of this size in the whole European Community. At that date each of these undertakings was employing more than 20 000 workers. These figures give an indication of the number of workers who might be affected by the Community directive if it is adopted by the Council of Ministers.

World-wide Shortage of some Food Products

The relative shortage of certain food products could continue for some time - thus the conclusion of the European Commission after active participation in several studies carried out by various international bodies on the world food supply situation. Wheat stocks are the lowest for 20 years; the demand for nitrogenous fertilizers outstripped supplies during the last farming year. The European Community covers about 90% of its own food requirements. Thanks to certain instruments that can be applied when shortages occur, the Common Agricultural Policy ensures the maintenance of a satisfactory equilibrium between prices and supplies on the internal Community market.

Consumer Protection in the United Kingdom

In the United Kingdom several events have occurred on the consumer front in the last few months:

- (1) The food subsidies mentioned in I&S No 16/74 have slowed down food price inflation slightly. However, retailers' groups have forced the Government to cut down from 44 to 15 the number of grocery products for which they have to observe a price ceiling.
- (2) More than £20 million will be paid out in subsidies to prevent a large range of hard English and Continental cheeses rising in price by 5p a pound. There are also plans to extend price controls to certain items of clothing.
- (3) The Government has brought in regulations obliging restaurants to indicate for their clients how much wine their carafes contain.
- (4) A blacklist of traders with a history of dishonesty may be prepared, on computer, so that local authorities can check and prevent such people touring the country, defrauding people with fly-by-night businesses as they go.

(5) A new edition of the voluntary British Code of Advertising Practice has been published recently. The new version is very much more detailed and appreciably more restrictive than the last.

International Oil Situation

Mr Simonet, Vice-President of the European Commission said at a press conference that the threat of further production cuts in the face of the efforts of consumer countries to save oil, and the price increases and higher taxes announced by the oil-exporting countries, are all signs of a further aggravation of the international oil situation which the European Community must not face in disarray. Mr Simonet feels that the Community should act on several fronts. In particular, the nine Member States should meet for consultations next month before passing the latest oil price increases on to their national markets. The Community will have to make greater efforts to cooperate with oil-producing countries, and cooperate with other consumer countries to prevent mutual outbidding.

Production Costs and Consumer Prices

It is known that during the recent crisis on the beef and veal market lower production costs often did not lead to correspondingly low consumer prices. In reply to a question on this matter by a member of the European Parliament, the Commission called attention to the fact that the Community's policy on prices and markets does not generally cover processing and distribution margins for agricultural products. It is for Member States to ensure that these margins remain within normal limits and that, as a result, variations in production prices are reflected at the consumer stage. The Commission is closely following the efforts made in this field and attaches great importance both to the rationalization of distribution networks and to consumer protection measures.

Housing of Migrant Workers

Towards the end of 1975 the European Commission hopes to be able to forward to the Council of Ministers the results of a pilot survey on the housing conditions of migrant workers which it ordered. A group of sociologists from the nine Member States has just completed a preliminary study for a questionnaire which will be tested in the actual survey.

Trade Unions Consulted on Energy Situation

On 30 September and 1 October last representatives of the European Commission and the European Trade Union Confederation met in Brussels to discuss proposals on energy being drawn up by the Commission. These are a medium-term study on electricity, uranium supplies for the Community, and the organization of the oil market (price fixing, control of imports and exports by oil companies, etc.). The Commission regularly arranges such meetings. On 15 and 17 October it will organize a colloquium in Liège, to be attended by representatives of trade unions from the energy sector. Mr Simonet, Vice-President of the Commission with special responsibility for energy problems, will preside over this colloquium during which the Community's energy policy, the energy savings rendered necessary by oil price increases, and the organization of the oil market on a Community basis will be discussed.

Mutual Recognition of Diplomas and Qualifications

In order to finalize Community procedure for the mutual recognition of diplomas and qualifications, the Commission has forwarded several proposals for directives to the Council of Ministers. These proposals, particularly those concerning freedom of establishment for doctors, pharmacutists and architects, are

currently being discussed by the Council, whose resolution of last June (see I&S No 23/74), which contains the general principles for the mutual recognition of diplomas and qualifications, should speed up the adoption of the above proposals for directives. This resolution stressed that the difficulties in establishing a system of equivalence for diplomas and the like arose mainly from training methods, but that final qualifications which give the right to practise a profession were usually comparable. The time has now come to draw up a list of diplomas which could be mutually recognized and to establish consultative committees whose responsibilities, composition and numbers have yet to be decided.

Civilization and Environment

The aims of the new Confederation for Civilization and the Environment are to help draw up a genuine policy for the environment and quality of life and to define the importance of these concerns in the general policies of France. This body is now by far the most important French organization for the preservation of natural amenities since it has 500 000 members drawn from five nature conservancy (associations - l'Institut d'écologie appliquée (Institute of applied ecology), la Fédération française des sociétés de protection de la nature (French federation of societies for the protection of nature), la Fédération des associations de sauvegarde de l'environnement à Paris et en Ile de France (the federation of associations for conserving the environment of Paris and the Ile de France), l'Union des associations de sauvegarde de l'Ouest parisien (Union of associations for conserving the West of Paris), le Centre d'études internationales pour la préservation de la vie et la protection de la nature (international study centre for the preservation of life and nature conservancy).

Fish Reserves Threatened by Underwater Fishing

In its reply to a written question by a member of the European Parliament on the threat to fish reserves posed by underwater fishing, the European Commission states that the shrinking of fish stocks is due to overfishing by the worlds' fishing fleets and not to a small number of underwater fishermen using what was really rudimentary equipment. However, it is correct that some international nature conservancy organizations are campaigning for the protection of a number of marine species threatened with extinction now hunted by underwater fishermen. Some Member States have banned underwater fishing near seaside resorts, largely for safety reasons. In some cases they have also banned the use of breathing apparatus (compressed air cylinders) by persons engaged in this sport.

A Telecommunications Common Market

Europe needs a common market for telecommunications.

Many hundreds or, rather, many thousands of telephone calls are made every day between Paris and London, Copenhagen and Milan, the Hague and Brussels. At any rate, the number is growing since international telephone traffic is increasing by 20% a year. Equipment is becoming more and more sophisticated; there are more and more receivers. There is no need to emphasize the growing importance of the telephone in the life of Europeans, nor the considerable investments the public authorities (and therefore, by definition, the taxpayer) have to make in order to improve the telecommunications networks. In 1972 the telecommunications departments of the Nine invested about 4 thousand million units of account (1 u.a. = about US\$ 1) in new equipment in order to keep up with the constantly growing demand for these services - e.g., telephone, telegrammes, telex. In about ten years' time the telecommunications will no doubt be of prime importance in the field of education, in legal and medical services, in business management, in industry, and even in day-to-day living, thanks to the development of remote data processing - e.g., mini-computers, video telephones, satellites.

All this new equipment will require considerable investment and the perfecting of more and more complex systems. Supplies for the telecommunications system already represent one of the most important items on the public authorities shopping list (together with railways and infrastructures). Every European country has established a telecommunications network in accordance with standards which vary greatly from one country to another, i.e., telephone switchboards, cables, receivers, electronic signals differ from each other both as regards systems and equipment. The result is that international trade in telecommunications equipment is limited considerably. In 1972 intra-Community trade in this equipment represented only 5% of public or private purchasing. Manufacturers who are established or operate in a given country specialize in supplying equipment designed in accordance with the requirements of their national administrations.

Only the small countries cover part, and in some cases a large part, of their requirements through foreign suppliers, which proves that international purchases are possible and compatible with efficient service.

The creation of a "telecommunications common market" would help to ensure true and fruitful competition between the various European manufacturers of all types of equipment. To extend public contracts in this way would mean a reduction in price and improvement in the quality of equipment, and closer cooperation between telecommunications administrations in the provision of services, and significant progress could thus be made with regard to the cost and quality of a key element in European life. But is it possible to break down the Community barriers in this field? The departments of the European Commission, in cooperation with the national telegraph and telephone departments, have gone into the question of whether, in the interest of millions of European users of the telephone and other telecommunications systems, and taking into account the economic and technological realities in the field of telecommunications, it is possible to open public contracts in the sector. The Commission's departments have just forwarded to a specialist group of the Council of Ministers of the Community a report stating their conclusions. According to this report, it would appear that in the short-term it would be difficult to bring about competition between European manufactures of telecommunications equipment in view of the too wide technological divergences between existing systems and acquired habits, etc. However, it appears that some supplies are already adaptable to different systems and could be marketed in several European countries.

In this report the Commission's services stress the need to think ahead on the future of development of telecommunications linked with the progress of information processing. It should be possible for European countries to draw up a corporate plan now so that within this framework they could progressively plan their networks without, however, being expected to transform these at a stroke. In the long run such harmonization will have to be carried out, so that the economic and technological frontiers are gradually removed and Europe can begin to set up a new electronic infrastructure which, in a few years, is likely to have a profound effect on the life of all Europeans.

Role of the European Trade Union Confederation

The trade unions have organized themselves at European level.

Currently 36 million European trade unionists are represented with the European Community, in Brussels, by a single organization, the European Trade Union Confederation which has this year completed the integration of the various trade union movements of the Europe of the Nine. Thus, vis-à-vis the European Commission, which systematically consults them before drawing up the proposals marking the stages of European integration, the trade unions can speak with one voice to defend the interests of the workers of the Nine. It is true that the democratic trade unions of Europe have from the start played an active and often vital part in building Europe. But their representation in Brussels had remained fragmented, reflecting the two main currents which run through European trade unionism.

The ICFTU

In 1958 the International Confederation of Free Trade Unions (ICFTU), the world body for socialist trade union organizations, set up a Secretariat General in Brussels to represent trade unions of this persuasion in the six founder members of the European Community. When the United Kingdom, Denmark, Ireland and Norway requested accession to the Community, the ICFTU members of the six founder countries of the Community stepped up their cooperation and proceeded with a complete reform of their European trade union structure with the aim of better organizing their activities vis-à-vis the Community Institutions and multinational companies.

The IFCTU

In the meantime the organization representing the other major trend in European trade unionism, the International Federation of Christian Trade Unions (IFCTU) which, in October 1968, became the World Confederation of Labour (WCL) had set up a European organization (European Organisation of the WCL) to fulfil the needs of Continental trade unionism. But European trade unionism remained a second priority during this first phase of the European Organisation of the WCL.

The congress held in Brussels in 1969 by the European Organisation of the WCL marked a decisive stage along the road to European trade unionism for the WCL. Like the ICFTU, the Christian Trade Unions took this opportunity to give themselves a European structure. In particular, they agreed on concerted union action with the ICFTU and on reinforcing union action within the framework of the European Community.

Copenhagen congress and unity of the European trade unions

Several conferences were held in 1971 and 1972 before a statute was adopted in Brussels on 9 February 1973 which created a European Trade Union Confederation. Through the organizations listed below this Federation at that time represented 29 million members:

the FGTE in Belgium;
the LO in Denmark;
the DGB in Germany;
the CGT-FO in France;
the Althydu in Iceland;
the CISL and UIL in Italy;
the CGT in Luxembourg;
the NKV in the Netherlands;
the LO in Norway;
the OGB in Austria;
the SGB in Switzerland;
the T-JVK in Finland;
the TCO and LO in Sweden;
the TUC in United Kingdom;
the Unión General de los Trabajadores in Spain.

The two European trade union movements culminated in a special congress held by the European Trade Union Confederation in Copenhagen from 23 to 26 May 1974

at which the trade union movements were integrated into a single organization, the European Trade Union Confederation. The Congress ratified the membership of the following 12 organizations:

the Belgian CSC;
the Danish FDT;
the Spanish STB;
the French CFDT;
the Luxembourg LCGB;
the Maltese GWU;
the Dutch NKV and CNV;
the Swiss CGS and SVEA;
the Finnish SAK;
the Irish ICTU.

This brought total membership of the European Trade Union Confederation up to 33 million and the total number of member organizations to 29.

Finally, on 7 July 1974, the Italian organization, CGIL (3.5 million members), which is a member of the Prague World Federation of Trade Unions, was accepted, bringing total membership of the European Trade Union Confederation to 36 million.

Thus enlarged, the Confederation is to develop its activities along four main lines:

- (i) the fight against inflation;
- (ii) the control of multinational companies;
- (iii) the extension of workers' rights and representation at all levels;
- (iv) the solving of the energy crisis (this point crystallizes all Europe's present problems and at the same time poses in all their magnitude the problems of the Third World).

As they are officially represented in their own right in the Community Institutions, particularly the European Economic and Social Committee, and as they are united at European level in the European Trade Union Confederation, the trade union organizations of the member countries of the European Community are now in a position to exercise their responsibilities in Brussels vis-à-vis the nascent European public authority.