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1. COMMUNITY AID FOR LOW-COST HOUSING

The Commission has approved a series of financial aids for low-cost housing for workers in the coal and steel industries in Denmark, France, Ireland and Luxembourg. These aids, in the form of low-interest loans, are being granted as part of the 7th programme of financial assistance to low-cost housing for workers in the European Coal and Steel Community industries and similar aids have already been given this year to other Community countries.

The details of this latest series of aids are as follows:

Denmark

A loan of Dkr 5,000,000 will be made available to the Sparekassen København Sjaelland (SDS) at Copenhagen at a rate of interest of 1% per annum repayable over a period of about 26 years. This loan will then be made available for workers of the Danish steel company, Danske Staalvalsevaerk who wish to purchase the 125 dwellings to be built in the Frederiksvaerk area. The ECSC credit will be made available to the beneficiaries in the form of loans of up to 20% of the cost of each dwelling, subject to a maximum of Dkr 40,000. The above-mentioned bank will also provide supplementary loans.

France

A loan of FF 2,300,000 will be made available to Wendel-Sidelor S.A. for the modernisation of about 250 houses in the Hagondange estate at Hayange. An earlier scheme in the same estate aided by Community funds resulted in the modernisation of 103 houses. The new loan should cover 40% of the cost of the modernisation programme. The loan will be at an interest rate of 4 3/8 per annum redeemable over 20 years.

Ireland

A loan of £135,700 will be made available to the National Building Agency, a State body, to finance approximately 25% of the cost of 67 houses for workers in Irish Steel Holdings Ltd., Cobh, Co. Cork, and 19 houses for workers in coal mines in the Arigna area. The loan is at a rate of interest of 1% per annum and repayable over a period of 25 years. The ECSC loan is in addition to State and local authority aids.

Luxembourg

A loan of Flux 25,000,000 will be made available to the Luxembourg Caisse d'Epargne de l'Etat at a rate of interest of 1% repayable over 20 years. The Caisse d'Epargne has undertaken to supplement the ECSC credit by another Flux 50,000,000 and make the total of Flux 75,000,000 available for the purchase by local iron and steel workers of 125 dwellings. The interest on the combined loan will be 4 1/2 or 5% depending on the savings bank current rate on the day the contract is signed.

2. COMMUNITY ACTION AGAINST MONOPOLIES

The Commission has just approved the Third Competition Report (1973) annexed to the Seventh General Report on the Activities of the Communities.

This report is inevitably of a somewhat fragmentary nature, since it simply sets out the results of the year under review whereas the main lines of competition policy have been developing more progressively and continuously than that, particularly as the Commission only gradually outlines new approaches through its decisions in individual cases.

Merger Control

The Commission proposal on merger control has already provoked extensive discussion between the various European institutions (especially with the European Parliament and the Economic and Social Committee) and with trade associations and trade unions represented at Community level.

Although the need for merger control has been recognised and the broad lines of the Commission proposal have been approved in principle, certain objections have nevertheless been raised. Criticisms are directed particularly at the fact that advance control of mergers is proposed, at the effects of the regulation on other Community objectives, in particular as regards employment and industrial policy, and at the protection of workers.

The Commission is convinced that the process which has been set in train will produce balanced legal regulations which will help to maintain effective competition in the general interest of the Community.

The Commission will remain as active as ever in applying Article 86 to mergers which constitute abuses of dominant positions; in this it was encouraged by the Council in the Resolution on economic and monetary union adopted on 3/4 December 1973, where the Member States were invited to assist the Commission in carrying out the economic and commercial research required for the systematic implementation of Article 86 of the Treaty. Likewise, in order to put a brake on rising prices in the Community, the Council has invited the Member States to apply the provisions of their national law providing for checks on abuses resulting from market dominance more strictly and more vigorously. Furthermore the Member States and the Commission will regularly exchange information - general and specific - on comparative price movements in the Member States.

On the steel market, the trends towards larger production units which is leading to the formation of joint ventures, and diversification into areas other than primary processing, which cuts down the risks involved in fluctuations in economic activity, have led the Commission, when giving prior authorisations under Article 66 of the ECSC Treaty, to take account also of Article 86 of the EEC Treaty. In its Mannesmann/Demag and Thyssen/Rheinstahl decisions, the Commission considered whether the extent of diversification and intra-group consumption would place the firms in question in a position to pursue strategies without regard to market conditions.

The Thyssen/Rheinstahl merger was authorised only subject to certain conditions designed to ensure that, in an industry which was already highly concentrated, the various groups would remain independent and would not interfere in each other's affairs - a need that is the greater the more powerful the groups.

In view of developments on the oil products market, the Commission has decided to investigate whether Article 85 and 86 of the EEC Treaty should be applied. The investigations will continue in 1974.

Restrictive Practices

The Commission has stepped up its activities relating to restrictive and abusive practices by firms and has endeavoured especially to extend its guidelines on the approach to be adopted in selective distribution cases, where it is necessary to make a very detailed examination of the pros and cons for consumers so that the only restrictions on competition allowed will be those which are necessary as a means of attaining other Community objectives.

Exemption from the Ban on Restrictive Agreements

Decisions giving exemption from the ban on restrictive agreements will tend to encourage desirable forms of transnational co-operation between firms. For instance, the decision in favour of an association of marine paint manufacturers for whom a suitable and essential means of increasing supply and improving sales outlets was to enter into an association and to co-ordinate the individual sales networks of the members, will enable them to compete more actively with major world producers.

Voluntary Restraint

Special attention is still being paid to voluntary restraint agreements concluded with private firms outside the Community, whose direct or indirect effect is often to make imports more expensive. Proceedings have been initiated and objectives have been stated in respect of an agreement concluded by manufacturers of a product which is widely used as a raw material by industry in Europe.

State Aids

Policy on State aids will also have been affected by the accession of the three new Member States in 1973. Among other things it was necessary to broaden the Community approach to regional aids, originally established for the Six, and to implement Article 154 of the Act of Accession, under which the principles concerning the general arrangements were to be applied to the new Member States as part of the Community system. Acting under Articles 92 to 94 of the EEC Treaty, the Commission has taken the initiative in amending and extending the principles already laid down by the Member States so as to bring them closer into line with problems in the various regions and to give greater consideration to the priorities determined by the Member States for their own regional aid schemes.

Aid to particular Industries

When dealing with aid to particular industries, the Commission has endeavoured to give them a Community orientation and framework so that they can be used as the effective basis for a real Community industrial policy. This can be seen particularly in the proposals on shipbuilding sent by the Commission to the Council, the object of which, by means of temporary measures co-ordinated at Community level, is to replace the aids hitherto granted by Member States to shipbuilding by incentives designed to make the industry competitive in the long term.

3. AID FOR WORKERS IN THE COAL-MINING INDUSTRY IN THE UNITED KINGDOM

Following an application from the United Kingdom Government the Commission has decided to conclude a Convention with this Government, under article 56 of the ECSC Treaty, for financial assistance towards the provision of aid to workers made redundant or transferred as a result of contraction of the British coal industry.

A comprehensive system of social aids for workers in the coal-mining industry who have been made redundant or transferred has been in operation in the United Kingdom for a number of years. The Convention will make it possible for the Commission to reimburse the United Kingdom Government and the National Coal Board part of the cost of this system.

Thus the Commission will be able to contribute to the aids which are given to workers in the United Kingdom coal industry such as :

- wage guarantees for redundant industrial workers over 55 years of age and non-industrial workers who retire early due to redundancy at or over 50;
- earnings supplements for employees who are required to transfer to lower paid jobs;
- lump sum payments to redundant employees aged 40 years and over (Commission's contribution will be half the amount with a maximum of 750 u.a.);
- concessionary coal, travelling and transfer allowances and allowances during vocational training as well as the cost of the training itself.

It is proposed to conclude the Convention for a trial period of three years. The services of the Commission will work out with the representatives of the United Kingdom Government the arrangements for implementing the Convention.

A similar Convention concerning financial assistance for steelworkers in the United Kingdom has already been concluded.

4. THIRD MEETING OF THE EEC CONSUMERS' ADVISORY COMMITTEE

The third meeting of the Consumers' Advisory Committee was held in Brussels on 21 June 1974. Mr. Anthony Dumont (United Kingdom Consumers' Association) was elected President of the Committee.

On opening the work of the Committee Mr. Scarascia Mugnozza, Vice-President, stressed the importance the Commission attached to its opinions. The interests of consumers, in other words all citizens of the Community, could thus have a considerable effect on the Commission's work and provide a stimulus for action for the protection and information of consumers on the basis of the preliminary programme which it has already presented to the Council.

The Committee held a far-reaching discussion on the effect of the present energy situation on consumers. It instructed its officers to draw up a Resolution expressing the consumers' concern on this subject.

The Committee discussed the stage reached in the Council's work on the Committee's preliminary programme for a consumer information and protection policy, and expressed its concern at the apparent delay in this field.

The Committee discussed its future role in the light of the experience gained during the first few months' work. While giving its officers the task of preparing a work programme for the next two years, the Committee agreed that its main tasks were the representation of consumer interests in the principal sectors of Community action and the formulation of opinions when policies which particularly affect consumers are being worked out.

The Committee was informed of the stage reached by the two Working Parties which had been instructed to prepare its position on aspects of the Common Agricultural Policy which affect consumers, and on certain elements of price policy.

5. OPENING OF AN ILO LIAISON OFFICE WITH THE EUROPEAN COMMUNITIES AND BENELUX

By decision of the Governing Body of the International Labour Organisation, the office of the ILO Brussels Correspondent has been transformed into an ILO Liaison Office with the Communities and the Benelux countries. It has the task of maintaining contact with the organs and secretariats of the Community, the governments of Belgium, the Netherlands and Luxembourg as well as the workers' and employers' organisations in these countries.

The new Office, at 40 rue Smekens, Brussels, was inaugurated on 20 May 1974.

6. THE ICFTU AND MULTINATIONAL COMPANIES

Effective control of the activities of multinational companies demands the creation of a truly international organisation provided with the necessary political means to exercise real control and to implement its authority. Such was the conclusion reached by the participants in a meeting on multinationals organised by the International Confederation of Free Trade Unions in Geneva on 13 and 14 June 1974.

Top level representatives from trade union organisations in Europe, Asia, Africa and the Americas, together with the leaders of several international trade secretariats, attended the meeting, and because of the need to develop legislative action the ICFTU also invited political parties in sympathy with the labour movement.

7. ITALIAN CGIL ENTERS EUROPEAN TUC

At its meeting on 9 July 1974, the Executive Committee of the European

Trade Union Confederation accepted the application for affiliation of the Confederazione Generale Italiana del Lavoro (CGIL). Following the decision taken by the Copenhagen Congress of 23-25 May 1974, this decision is final and not subject to ratification by the next congress.

There are three national trade union centres in Italy; the other two are founder members of the European TUC. The CGIL, at the political level, contains supporters both of the Italian Communist party and the Italian socialist party. It has long been a member of the Communist-dominated World Federation of Trade Unions, but has reduced its own status in the WFTU to that of associate.

Almost 37 million trade unionists are now represented in the ETUC.

8. FRENCH CGT GENERAL SECRETARY IN BRUSSELS

On 24 June 1974 a delegation of the French CGT (affiliated to the Communist World Federation of Trade Unions), led by its General Secretary Georges Séguy, visited F.X. Ortoli, President of the Commission of the European Communities, in Brussels. During the course of the meeting the CGT representatives expressed their anxieties about the evolution of the economic and social situation in France and Europe and presented a number of proposals and suggestions on three subjects :

- 1) the development of multinational companies;
- 2) the democratisation of the institutions of the Community;
- 3) methods of co-operation between the Community and the developing countries.

The following day Georges Séguy held a press conference in Brussels at which he explained the position of the CGT on the present situation in Europe. He stated that Europe had become a reality but that it had no future under the domination of the great industrial and financial powers. He further stressed that problems arising out of the development of capitalism could not be dealt with at national level, but for measures to be taken there should be real co-ordination of trade union action at European level. With this in view the CGT General Secretary expressed the willingness of his organisation to discuss affiliation to the ETUC with ETUC representatives. He affirmed that a discriminatory attitude towards the CGT was unjustified and would be contrary to unity contacts developing in France.

It would be paradoxical, Georges Séguy added, if trade union leaders from other European countries took a more reserved position than the government, the French employers, or the leaders of the EEC, the ILO or UNESCO.

Georges Séguy finally outlined the three basic questions to be resolved if the CGT was to join the ETUC:

- 1) guarantees for the free choice of the CGT on the national and international plane, particularly concerning its membership of the World Federation of Trade Unions;
- 2) guarantee of no discrimination against the CGT within the ETUC

3) ETUC programme acceptable to all.

9. EUROPEAN MEETING OF TRADE UNION EDUCATION OFFICERS

The European Trade Union Confederation, in conjunction with the Trade Union Division of the Community Information Directorate-General, organised a meeting of education officers of ETUC national centres on 19 and 20 June 1974 in Siena, Italy.

Thirty trade union leaders from Community countries analysed objectives and needs concerning European information, directed towards trade union schools and education officers.

It was decided to hold a conference for education officers of national centres and their affiliated unions, from 12 to 15 November 1974 in France. For this conference an inventory should be made of achievements and needs in the field of training in European matters for trade union officers.

The Trade Union Division presented an audio-visual dossier designed to assist education officers in training on European matters. This dossier will be tested in each of the organisations and will be reviewed at the November Conference.

The November Conference will make a report describing the activities of the different trade union schools and the various technical facilities available in the Information Directorate-General of the Community.

10. ETUC WOMEN'S SEMINAR

The European Trade Union Confederation organised, in conjunction with the Trade Union Division of the Information Directorate-General, a seminar for women officers of national trade union organisations affiliated to the ETUC, on 18 and 19 June 1974 in Siena, Italy.

Thirty delegates studied the problems of working women, who are subject to discrimination in many fields.

A lively debate took place on the social action programme of the Community. The delegates decided to intensify their action on the part of the programme concerning equal pay, connected with Article 119 of the Treaty of Rome - the Council directive concerning application of the principle of equal pay for workers of both sexes.

Taking into account the social realities in which women's work takes place in the industrialised countries of Europe, the ETUC Women's Consultative Committee decided to submit to the ETUC organs certain proposals concerning discrimination on employment matters :

access to employment, promotion, unsuitability of vocational training, downgrading of professions where the majority is female, installation in each country of a single labour market.

The delegates stressed the necessity for proper functioning of the permanent committee on employment of the Community. The recognition of

maternity and paternity as social functions was reaffirmed as an indispensable element in global Community social policy.

Proposals for a European model agreement were studied..

As 1975 has been proclaimed "International Women's Year", the delegates decided to intensify their action on the points discussed and to keep each other informed about national developments.

The meeting provided an opportunity for women representatives from ETUC founder organisations and those from the new affiliates to meet for the first time.

11. UNION INFORMATION VISITS TO THE COMMUNITY

During the period 1 January to mid-July 1974 24 information visits by trade union groups were paid to the Community.

These visits included :

- 11 from Great Britain
- 2 from Ireland (plus 3 individual visits)
- 2 from Denmark
- 8 from Germany
- 1 from U.S.A.

The 11 visits from Great Britain comprised 8 union executives committees, a group of shop stewards from Southampton, a group of Welsh trade union officers and a group of nine editors of trade union periodicals.

The 8 visits from Germany were all from local-level union groups: four from the metalworkers' union in connection with European Coal and Steel Community matters, as well as groups from Berlin, Bochum, Osnabrück and the Saar.

Some of these visits were completely under the auspices of the trade union information division; in all other cases it participated in the programme.
