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FOOD: Not everything can be biological

- More and more consumers are opting for natural and healthful food products. Aware of the commercial interests in this change of attitudes, a number of food manufacturing companies has taken to overusing the terms "natural", "biological", or "organically grown", which should be generally reserved for food products which have not come in contact with chemical or artificial additives or growth aids. The French Agriculture Minister has just been authorised to classify farms which do not resort to the use of such chemical products. In addition, Belgium and Germany have already regulated the use of the term "biological" in advertising for food products. However, most of the other member countries of the European Community have no legal protection for the consumer in this matter. That's why the European Commission intends to introduce soon a proposal for the Council of Ministers to regulate the use of certain statements, especially those which sustain a "biological" or "organic" image for products.

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HEALTH CARE: The European derby of spending for prevention and care

Personal health is of course something near and dear to the hearts -- and kidneys, and livers and other organs -- of the entire population. That's why a study of spending on health care in various countries is a valuable exercise that goes beyond mere curiosity. Such surveys reveal the public efforts at prevention and care and how much more could be done in some countries. This has become especially important when it is considered first that public treasuries are in a difficult situation and, secondly, when the health service sector is regarded as a key area of possible economic and employment growth in otherwise sluggish European economies.

Figures recently published by the European Commission following a study into the breakdown of spending by EEC member countries from 1975 to 1978 showed that Germany led the field with spending per person amounting to 540 ECU (± £294.6) at the end of the period and 359 ECU (± £195.8) at the start. This was followed in 1978 by spending in Denmark of 515 ECU (± £281) per person, while that Scandinavian country was at the top of the Community spending list in 1975 with expenditures of 397 ECU (± £216.6). The totals for those two countries were somewhat higher than the next group of countries which included Luxembourg, France, the Netherlands and Belgium, which all spent 400 ECU (± £218.2) per person in 1978. At the bottom of the listing in both 1975 and 1978 was another group of three countries composed of the United Kingdom, Italy and Ireland, which spent 200 ECU (± £109) or below in that last year and 159 ECU (± £86.7) or less at the beginning of the period studied.

These figures contain the per capita amount spent for health benefits received by the total population including services provided directly by the state and reimbursement where services were paid for by the consumer. They did not completely contain any expenditure not reimbursed nor major capital spending.

Not everything can be biological (From p. 1)

This proposal is part of the effort at the gradual coordination of legislation in the Member States concerning the labelling and presentation of foodstuffs, a narrowing of differences which has been in the works since December 1978. The European Commission also indicates that it is following closely the development of organic agriculture and that it is financing some research in this field.

FISHERIES : "Blue Europe" almost launched

The Ten will soon take the final steps aimed at launching the long-awaited and much-vaunted common fisheries policy. European Fisheries Ministers met in Brussels, January 27, and progress made at this meeting would indicate that the final decision needed to launch the policy will be adopted at the Council's next meeting on February 9 and 10.

Ministers will at this encounter have to fix the total allowable catches, as they do each year. This total is estimated at about 1,132,000 tonnes of fish (in cod equivalent) for 1981, compared with 1,120,000 tonnes in 1980. This overall figure will then be divided among the EEC countries on the basis of a quota system which will have to be thrashed out by the Ten. The question of access for fishermen from one EEC country to the waters of another will also be discussed by Ministers. France and the United Kingdom currently disagree on the question. The European Commission, for its part, has recommended that an exclusive zone of 12 miles should be earmarked for the fishermen of the country concerned, although certain derogations relating to the historical rights negotiated in the past on a bilateral basis would not be ignored.

But a common fisheries policy will not be complete without Community action to improve fisheries structures and to review market organisation. The Council is expected to adopt a solution calling for a better organisation of producers' organisations, the definition of new criteria for the fixing of guaranteed prices, the granting of premia for processing and stocking, etc. On the other hand, Member States have yet to see eye to eye on the question of trade arrangements to be worked out with third countries. EEC imports of fish increased from 750,000 tonnes in 1975 to 1,040,000 tonnes in 1979, and several EEC countries are now calling for more effective protection for the Community's market.

The most urgent question tackled by Ministers in Brussels recently concerned the conclusion of a fisheries agreement with Canada. Since January 1, 1981, German fishermen have been stopped from fishing in Canadian waters, where they traditionally fished in the winter months. This currently threatens some 10.000 jobs in the country. Pending an agreement with Canada, which should be signed shortly, the Council agreed that the German fishermen would begin their fishing year in the waters off Greenland and Norway.

REGIONS: A new avalanche of European subsidies

Important activities ranging from the implementation of new technologies in Northwest England and Scotland to the construction of a Mediterranean natural gas pipeline received European Community financial aid in recent months.

According to a report released in Brussels by the European Commission on the operations of the Community's Regional Development Fund, some £289 million was spent in late 1980 on specific projects in the poorest regions of the member countries. The fund co-financed 1,069 separate major transport and infrastructure projects plus 302 projects that were specifically devoted to a particular industry or service. These grants of Community assistance went to Belgium, Denmark, Germany, France, Ireland, Italy, the Netherlands and the United Kingdom. Greece will also begin benefitting from this fund now that it has joined the Community. In the five years of its operations, the Regional Fund has dispensed £1,945 million for such projects.

Among the most significant projects, in addition to the industrial operations in Northwest England and Scotland and the gas pipeline from Algeria to Italy, the Fund has also financed work on the airport in Manchester, telecommunications and road systems in Brittany and other parts of France and three major projects in Guadeloupe.

EMPLOYMENT: The cold chill of winter hits the job picture

As if the gloom of winter were not grim enough, the most recent statistics concerning unemployment in Europe indicated that the situation is deteriorating even further.

The already-dramatic situation got even worse in December, according to figures released by the European Commission, as the total number of jobless pushed upward to nearly 8 million in the member countries. This represented some 7.2 per cent of the total labour force and an increase of 4 per cent above the already dreary record of November. While the number of registered unemployed increased throughout the Community, the countries most affected appeared to be those which in the past had fared better than their neighbours. Thus, there was a jump of 15 per cent in Germany, 10 per cent in Denmark, 8.7 per cent in the Netherlands and 7.9 per cent in Luxembourg.

In addition, while women and young persons were particularly hard-hit in the past, the difficulty is spreading to the male workers. The number of unemployed men rose by 6.9 per cent from November and 16 per cent since September. The growth in unemployment in the Community during 1980 amounted to 27 per cent. The countries most affected were the United Kingdom, where unemployment increased by 66 per cent; Denmark, where it rose 56 per cent; the Netherlands, where the increase amounted to 49 per cent; Ireland, where it reached 38 per cent, and Germany, which experienced a 29 per cent rise. The increases were below the Community average in Luxembourg, Belgium, France and Italy.

EMPLOYMENT: A new formula for fighting recession

An ambitious programme designed to put the European Community's 8 million unemployed back to work has been drawn up by the External Relations Committee of the European Parliament. In a motion for a resolution adopted recently, the Committee urged the European Commission to take an active part in recycling the "unspendable surpluses" totalling some 116 billion dollars which had been accumulated by the "thinly populated Arab States of the Arab Gulf", and which, if transferred into long-term loans, could be spent on getting the European economy moving again.

The Committee proposes that the framework for such action should be the conclusion of bilateral agreements with the countries in the Gulf region. Such bilateral cooperation agreements would be concluded under the aegis of the Euro-Arab dialogue, and, notes the Committee, would "serve the particular interests of all parties concerned". Energy cooperation, the promotion of joint investments for diversification of industry, special measures to promote the transfer of technology, joint financing of development in countries of the Third World, cooperation in seeking solutions to recycling problems and trade concessions would all be questions studied by the agreements.

This is essential because the Committee believes that "it is in the interests of both sides to eliminate the problems generated by dependence on a single product: oil, and to create a climate of mutual trust which will help to restore more stable economic development, by alleviating unemployment, inflations, etc."

Three new and original formulas for cooperation between the EEC and the Gulf countries are proposed by the External Relations Committee. For one, the Gulf states would undertake to supply specific quantities of crude oil at uniform prices with a binding formula to determine price changes. In return, the Community would set up a guarantee fund in conjunction with the European Investment Bank which would offer a long-term Eurobond to the Gulf states. The loans would be invested primarily in the development of alternative energy sources which need enormous sums of money.

Some of the resources of the guarantee fund would also be made over to a new development fund which would make them available on special terms to the oil-importing countries in the Third World.

Finally, the Committee also recommended the setting up of a European oil purchasing and prospecting company which would counteract the oil-producing countries' increasing tendency to deal directly on the spot market, and would help reduce the Community's dependence on American companies. The

company could also participate in the development of new oil reserves in the producer countries and take part in joint exploration projects in cases where individual companies will not or cannot bear the costs alone.

COMPETITION: Does might mean right?

Once upon a time, there was a big company called L'Oréal, best known for a business that amounted to millions. This firm had established a network to distribute its products according to its own needs. That's why only certain beauty or barber shops were authorised to sell the Kerastase brand of hair care products manufactured by L'Oréal only after having received all the related information about its use.

One day, a Belgian firm, De Nieuwe Amck, hesitantly ventured into L'Oréal's territory by proposing to sell the same hair products without officially belonging to the company's network. Hair sprays and other similar products for the hair and scalp were therefore sold without the approval of the products' manufacturer. L'Oréal viewed this as an intolerable breach of the rules it had adopted over the years. In an attempt to prevent the other firm from selling its products, it initiated a legal action against the second company.

As a result, the two found themselves before the European Court of Justice in Luxembourg, in a sort of David and Goliath test of unequal strengths, roughly comparable to the law of the jungle in which normally the larger firm should have devoured the smaller one. But the trading rules contained in the European Community treaty are precisely aimed at obtaining observance for free competition and free circulation of goods throughout the Community countries. The positions, therefore, were reversed with the accuser, in this case L'Oréal, finding itself quickly in the role of the accused. It was charged first of all with having established a selective distribution network based on arbitrary criteria, which were therefore against the European Community rules of competition. Secondly, it was also accused with abuse of a dominant position on the market for hair products, which would also be a violation of the rules for business behaviour in the member countries.

The morality of this case, would seem to be that at least before the European Court, might does not always make right.

ENVIRONMENT: Not exactly the salt of the earth

The Rhine River, one of Europe's most important arteries, is sick from pollution, largely because of the dumping of huge quantities of salt from Alsatian potash mines in its waters. The Environment Ministers of the river states - the Netherlands, Germany, France, Luxembourg and Switzerland - met recently in The Hague to consider possible remedies.

This problem goes back to the Bonn Convention, signed in 1976, that looked ahead to a ban on all discharged of salt from the potash mines into the Rhine and proposed instead that the salt be injected into the Alsatian soil. Since then, however, France has indicated to its partners in this accord that its Parliament would probably be unable to ratify the pact because of the opposition by the local population, which feared that such practice might have grave environmental consequences on the underground water supply of the region.

The French decision irritated authorities in the other countries and particularly the Dutch Government, especially since the French Government had been accepting all the contributions by the Rhine border states to finance the planned injection installations. France has defended itself by explaining that it is not even the principal polluter of the Rhine. According to France, 54 per cent of the pollution originates in Germany.

Meanwhile, the French Government has let it be known that ratification of the Convention could take place if other methods of cleaning up the Rhine could also be combined with the injection technique. In The Hague, some new and complementary solutions were proposed, such as the shipment of the salt on boats from the potash mines in Alsace to the North Sea or the construction of a pipeline to transport this same salt towards a soda plant located in nearby Lorraine. The second proposal, however, has the drawback of being relatively costly because the pipeline would have to be 160 kilometres long and has to cross the Vosges mountains.

Another variation proposed, which planned for the return of the salt into the mines themselves, was rejected by the Ministers because France felt that this process would entail work that would be too dangerous in the mines. These discussions will have to be continued at a later date in the search for a solution acceptable to all for the effective purification of the waters of the Rhine.