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ENERGY : Conference on production of solar energy

£ 27 Million - that's how much money will be dispensed by the European Community for research into the uses of solar energy during the next four years. An important portion of this programme concerns the photovoltaic process which permits the direct conversion of sunlight into electricity.

Photovoltaic cells function just as well in diffused as direct sunlight, and even under rain, and can be used therefore in every region of the European Community. As a result, rapid development is forecast for this technology. Consequently, the European Community is organising a major conference on the photovoltaic conversion of energy in Cannes from 27 to 31 October. More than 600 experts from all over the world are expected at the conference, which will be supplemented by an exhibition of photovoltaic material open to the public.

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New proposals have just been made by the European Commission designed to help the European micro electronics industry to catch up to its competitors.

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AEROSPACE: The international battle for the skies

In the intense competition for the international aerospace and aviation market, European producers and the more than 400,000 workers involved in this industry have been holding their own in recent years.

Statistics gathered and just recently released by the European Commission indicate an improvement by the Community industry for sales and in boosting the number of workers in 1978, the last year covered by the figures. That year saw an improvement of some 3.3 percent in the total turnover by these Community manufacturers in comparison with 1977, a year of decline, and 1.7 percent over the previous peak in 1976. The same pattern of resurgence was also noticeable in the number of persons employed in this industry in the Community. The total number of workers in 1978 increased to 421,176 from the 1977 slump figure of 419,257, which was down substantially from the 430,000-plus registered in both 1975 and 1976.

If these figures are encouraging, they nevertheless pale in comparison with the might of the American industry which had a growth rate of nearly 9 percent in 1978 and employment reaching 967,000.

The figures released in this study entitled "The European Aerospace Industry" also cover the situation in the airline industry as well. These showed that in 1979, European airlines experienced a growth of some 10.4 percent in domestic traffic and 11.7 percent in intercontinental traffic. At the same time, the regular European airlines also registered a decline of some 6.5 percent in their non-scheduled flights as they shifted out of this type of business in the face of the competition from charter companies, which increased their performance. In the field of passenger traffic, the European airlines took about 17 percent of the total number of world ticket-holders on board, while the American airlines attracted 40 percent, the Soviet fleet 15 percent and the rest of the international lines 28 percent. But it will be in the volume of sales made by each of the major manufacturers to the civilian and military markets all around the world that the health of their industry will be tested. In this sector, the figures note that European producers in 1978 registered an improvement in sales to their own European civilian airliner market, largely as a result of the phenomenal growth of European Airbus sales. This meant that European producers' shares of the European market went up to 18 percent from 10 percent in 1970. Nevertheless, Community producers also want to improve their performance in sales relative to the rest of the world, where the American firms still hold a 90 percent share of the market.

REGIONS: The economic deterioration of Europe's rural sector

The fact that there has been economic growth in Western Europe since the Second World War cannot be denied, but this growth is much too often limited to urban areas. The emergence of cities and towns as centres of employment, economic progress and areas which attract new immigrants has taken place to the detriment of rural areas.

The European Parliament's committee on regional policy has just published a report on the degradation of regional economies in Europe, particularly in the rural areas. Europe's rural sector is characterised by the following features: relatively low population density, weak infrastructure, limited industrial activity, a modest service sector and, finally, the predominance of agriculture or forestry.

The Parliamentary Committee draws attention to the differences existing between the more dynamic rural regions, those which are lagging behind and, finally, those that have been more or less abandoned. The regions falling into the third category are those that have suffered the most from the exodus of the area's young people and entrepreneurs.

Secondly, the soil and general environment of the areas in question (climatic and geographical conditions) are not adapted to agricultural production capable of high yields. Income is low, and the collective services completely inadequate. In certain regions some minorities are particularly discriminated against, particularly the elderly people and those who do not possess transport. The Committee also notes that the dramatic increase in agricultural productivity which has taken place over the last few years has often had negative social and ecological repercussions. Between 1973 and 1977, the European Community saw the loss of more than a million agricultural jobs. Moreover, the constant use of insecticides and chemical substances has provoked the deterioration of the environment.

The report recommends that an increasing number of persons should be employed in the agricultural sector which would be based on medium-level technology. Young people should be encouraged to stay in the rural areas, continues the report. A sufficient number of non-agricultural jobs should also be created in the rural regions, particularly through the introduction of completely new activities (small pilot factories, offices, etc) or by strengthening support for existing activities, such as the cottage industries.

Other non-agricultural phenomena are also increasingly influencing the countryside: these include the construction of country houses, old peoples' homes, the development of tourism and recreation activities in the rural regions. Even though these phenomena have certain positive effects, there

is always the danger that Europe's countryside could be converted into urban playgrounds and lose all their own specific characteristics.

The European Commission, once it has studied the report (which includes several other more concrete proposals) will probably undertake a series of actions in keeping with the Parliament's proposals.

COMMUNICATIONS: Development of the European telecommunications network

It was in February this year that Euronet, Europe's first telecommunication network, was launched. The Euronet system links a number of data banks set up in the different Member States. Common rates have been established, and by the end of 1983 the system should be managed exclusively by national administrations of the PTT. Now, only a few months after its inauguration, Euronet has a new development plan. The European Commission has just proposed an action programme for the next three years which includes the creation of new "higher quality" data banks, as well as an entire range of measures aimed at increasing the operations of the network and make access to the system easier for small and medium sized businesses. Another aim is to remove linguistic barriers.

The Commission has earmarked about £ 9.8 million for the programme.

EMPLOYMENT: Europe's threatened glass industry

For over a year the European glass industry has been receiving more orders than ever before. The reasons for this increase are not clear. Despite this, a recent study drawn up on behalf of the European Commission stresses that it is still too early to talk in terms of setting up new float glass industries in Europe.

A number of foreign firms, however, are planning to build such factories in the Community. One of these is already under construction in Luxembourg, and others are planned for the Netherlands and Italy.

The projects have had a rather cold reception from the European authorities. Their construction could, in fact, lead to a decrease in the production of existing factories, and the loss of 1,500 jobs.

A STATISTICAL HANDBOOK : "Social Indicators" from the European Statistical Office

The European Community, through its Office of Statistics, known as Eurostat, has just published an important and fascinating study entitled "Social Indicators for the European Community, 1960-1978".

Although the popularity of such a work may not be instantly obvious to the public, it is widely accepted by a large number of users. For them, it is a way of advancing the gradual coordination of social conditions in the nine member countries of the Community. It provides an indispensable basis for making decisions related to the objectives of a Community social policy. The statistics cover, in general, the years 1960, 1965, 1970 and 1975, the last year for which many figures are available. While, as with most statistical works, some caution is advisable in connection with the comparability of the figures for each country, this handbook contains a wealth of impressive facts. These range from tables comparing the levels of, for instance, sunlight or mortality in the Community, or concerning population, employment, living standards, social security, health, education, housing, along with comparisons with other countries such as the United States or India. As a result, the figures reveal, for instance, that Great Britain has the highest proportion of women, 105 to every 100 men, while neighbouring Ireland has only 99 for each 100 males. Similarly, there are interesting figures concerning matrimonial trends, the labour force, employment and unemployment. For example, the total number of jobless registered in the Community in 1978 reached 8.9 percent of the labour force in Ireland, but only 0.8 percent in Luxembourg. For the whole of the Community, the total number of individuals amounted to 5,974,200.

The section devoted to "Life at Work" provides information on the hours worked, annual holidays, the number of trade unions, strikes, the hourly salaries by industrial sector or even by sex.

An important chapter is devoted to education and gives data on the level of education, the numbers of students, by sex, the number of foreign students in schools and universities, and other information.

As another example, the handbook indicates that university students comprised 13.1 percent of the student population in France, 5.1 percent in Germany and only 2.7 percent in Italy.

This 234-page document is expected to furnish easy access to information for a number of users, ranging from journalists to social scientists and students.

INDUSTRIAL RELATIONS : Consultation as a way of working out problems

With unfortunately increasing frequency, newspapers are filled with articles about industrial strife resulting from employees reacting to management plans for plant closures or massive layoffs. Hard economic conditions are forcing many companies to make decisions affecting the livelihood of thousands of workers.

There is a growing feeling among trade unions, public authorities and in many companies as well that such decisions should only be taken following thorough discussion with all the parties involved. This includes not only the managers and possible creditors of a company, but now also the work force as well. A number of national government regulations and international codes of conduct have sought to establish such consultation as either a legal requirement or as a voluntary practice. The idea is to try to head off misunderstandings and possible friction because of the lack of a dialogue or information between manager and workers.

But in this increasingly international economic environment, the fact that such requirements are either only voluntary or not uniform from country to country leads to uneven competition or abuse as some companies shop around for the country with the fewest restrictions or regulations.

That's why the European Community Commission in Brussels has just proposed a new directive that, if adopted, would require international companies and major domestic ones as well to regularly inform and consult their workers about important matters. In the discussion stage for over a year, the measure would either codify into law provisions of voluntary international codes already adopted by such bodies as the Organisation for Economic Cooperation and Development (OECD) in Paris and the International Labour Office (ILO) in Geneva. It would also extend the coverage of already existing European Community laws requiring such information and consultation in the case of massive layoffs or mergers.

This would mean that companies with subsidiaries in a Community country with more than 100 employees would have to give the workers semiannual information about manpower, investments, sales, order, business prospects and technical changes. They would also have to give employees 40 days advance notice of major changes in the company and seek the workers' opinions within 30 days.

While this measure has received the endorsement of trade union representatives and the European Commission, it has been opposed and criticised by a number of business and industrial organisations and is therefore expected to face a long and controversial debate before it is adopted.

MICRO TECHNOLOGY: New tools for everything from autos to toys

If chess-playing computers and automated factories are already upon us, can other revolutionary applications of modern technology be far behind?

Discoveries in the field of sophisticated electronics are cascading upon us so fast that they are becoming within the reach of the average household. Indeed, devices are becoming so cheap and small that a desk-top computer can now do the work that was done by a room-sized model 15 or 20 years ago. These awesome inventions are not only full of promise for the future, but they also represent perhaps the greatest industrial challenge facing Europe in the coming decades. Computers and the new micro-electronics can be valuable labour-saving tools or they can be forces that create more unemployed persons. They also could result in lucrative new production for domestic industry and exports that create new high-paying jobs or they could mean the loss of such opportunities to foreign competitors. These are the momentous issues that most industrial leaders and public decision-makers in the European Community are currently confronted with. Workers and trade union leaders have a great deal at stake in this issue as well.

That's why all these forces have in recent months devoted considerable attention to these difficult issues. Should public authorities spend massive amounts of treasury funds to support an industry that has the potential of drastically altering society by eliminating thousands or even millions of jobs while creating some new ones? Naturally, there are a number of basic approaches to this challenging decision.

One such effort has recently been generated by the European Commission in Brussels. It has presented a plan of action for the Community that not only outlines the main difficulties facing European industry, but also provides recommendations which have been carefully worked out in consultation with all types of industrial, governmental and other experts.

The programme is realistic in that it says huge quantities cannot be dispensed as subsidies to help the Community industries meet the world-wide challenge because it is obvious that governments everywhere are facing important financial difficulties. But it also notes that, in the past, European Governments may have already outspent their American and Japanese rivals only to reap immensely disappointing results. Despite the previous heavy expenditures, the foreign competitors have captured most of the world market for these sophisticated products and 65 percent of the Community market as well, meaning a deficit of £ 158 million in the EEC in 1979 alone in such products. As if the drain on the European purse in favour of US and Japanese companies were not enough of a reason, the Commission report also

points out that this also means European production lags anywhere from two to four years behind in the state of its technology. The top European firms, Philips and Siemens rank no better than 10th and 16th in the world, respectively, in sales.

Another consequence is that the European industries that use such devices may also lag behind their US and Japanese competitors in incorporating what may be revolutionary labour-saving tools which would increase their competitiveness. The need of such products are vast, says the report, stating that user industries range from automobiles and telecommunications to toys.

As a first step in finding a solution to this slowness to adapt, the Commission report recommends first of all that there be closer cooperation and coordination among the various European producers, users, governments and research institute. The goal would be to reduce wasteful duplication in research and to assure that what is spent on research and development will actually be of use to those in the real marketplace. National programmes will also have to be aimed at specific goals for 1985, such as the design and production of a competitive "submicron" component technology, meaning components with features smaller than 1 micrometer, and to master a whole range of technology to produce it.

This technology will be so complex that it will become more difficult for a man or woman to intervene directly into the detailed process of designing it. This design process will therefore have to be handled by powerful and sophisticated computers. The report outlines a series of goals in this new field called computer-aided design. For this effort the Commission recommends that a sum of £11 million be set aside in the four years from 1981 to 1984 to help finance specialised research.

This should be accompanied by the urgent development of an industry capable of producing the tools and equipment necessary to fulfil these goals. At the moment the bulk of this key supporting industry is based in the United States.

A major handicap in meeting all these objectives is the fact that the European industry has been fragmented along national lines in the past. European firms have been locked into relatively small domestic markets and therefore have more difficulty competing than the massive American companies geared to a world-wide market. To encourage expansion of the European firms and their output, the report recommends that national governments and especially their telecommunications administration open up their domestic contracts to bids from other European Community companies.

The reasons cited for such an action programme include the fact that even a small increase in the European share of the sky-rocketing European and world-wide market could mean millions, if not billions in additional orders, as well as more jobs.