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ECONOMY : Lower growth rate for the Nine

- The latest statistics just made public for the European Community's short-term economic growth trends seem unfortunately to support the pessimistic predictions of the European Commission concerning the anticipated development of the economic situation in 1980. In fact, these statistics appear to indicate that the recovery in the Community's productive capacity was interrupted in February 1980 after a steady increase since October 1979. All industrial sectors simultaneously registered disappointing performances that translated into a general weakening of economic productivity.

At the national level, short-term growth rates slumped sharply in Italy, Denmark, and the United Kingdom in February, while the picture was more positive in France and Luxembourg. Nevertheless, the weight of the first group's slide tipped the scales of the Community indexes by negating the growth registered elsewhere.

This follows an increase in industrial production of some 4.7 percent in 1979.

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A report on how the activation of a new system of information exchange between national employment placement offices gives a truly European dimension to the labour market ...

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INDUSTRY : Research efforts aim at the car of the future

Research and scientific experimentation is now underway that might change the automobiles and driving habits of Europe and much of the rest of the world.

This revolution has been set up by a combination of factors, including the increasing need to economise fuel, the search for greater safety and the drive to protect the environment. All these elements have already had a profound impact on the auto industry and transportation in general.

To adapt to these new realities, all the world's transport industries have had to turn to science to develop new technology. This is no less the case in the automobile sector which all over the world is undertaking a crash programme of research.

One example is the new cooperation accord signed by six major European car manufacturing firms. The pact agreed on in Milan recently by Fiat, British Leyland, Peugeot-Citroën, Renault, Volkswagen and Volvo is aimed at not only meeting the technology challenge but also the competitive offensive of American and Japanese manufacturers who have already begun their own research efforts along these lines.

The new European research undertaking is generally regarded as a welcome and positive development by many who have advocated such cooperation for years, not only to encourage the design of newer and better cars but also because of the importance of the automobile industry's place in the European economy. The European Commissioner in charge of industrial affairs Etienne Davignon has been holding discussions with auto industry officials for at least two years to stimulate such cooperative ventures. One important reason was the fact that the automobile industry in the Community countries accounts for between 5 and 8 percent of production and between 8 and 12 percent of their industrial exports. It is also considered an important growth industry which has increased its share of total industrial employment from 4.8 percent in 1974 to 5.3 percent in 1978. But it was also noted that much more could be done to plan for the future since the European auto industry spent only 2-3 percent of its revenue on research.

The new European agreement is expected to help step up to this investment.

So that we can improve "EUROFOCUS" and the general service we try to offer to our subscribers, we should be happy to receive any comments, criticisms or suggestions. If you should use any of the copy a reference to "EUROFOCUS" (and possibly a copy of the final article) would be much appreciated.

CONSUMERS : Tobacco's vicious smoke ring

Cigarette consumption is on the decline in most countries of the European Community (Eurofocus No. 14/80), which is perhaps a result of the multitude of national anti-smoking campaigns now in force.

But, at the same time they are trying to discourage smoking, the authorities who collect significant revenues from taxes on tobacco products are also dispensing subsidies to farmers of tobacco as well. A coherent policy should probably aim at the abolition of these subsidies.

The European Commission in Brussels has just addressed itself to this problem in a reply to a member of the European Parliament. The Commission remarked that the elimination of these farming subsidies would lead to a disappearance of tobacco farming in the nine member states and would, as a consequence, further aggravate the balance of payments deficit of the Community. In the case of tobacco, this trade deficit is currently about £ 600 million.

Employment in this sector would also be adversely affected. In 1978 there were some 122,453 tobacco farmers in the Community and 300,000 workers employed in the agricultural processing of tobacco.

In addition, elimination of the financial subsidies for tobacco would probably not result in a reduction in smoking since the raw material cost of tobacco itself accounts for only about 7 percent of the total cigarette price. And there is no proof that an increase in cigarette prices leads to a cut in consumption.

The result is a perfect example of a vicious circle : on the one hand, the authorities struggle to bring about a reduction of tobacco consumption, and on the other hand, hardly anyone is willing to sacrifice a type of farming that creates jobs for some 400,000 persons and sizable revenues for European governments.

TRADE : Fraudulent imports of textile products

Trade accords negotiated by the European Community with other countries generally include ceilings for shipments of certain products exported to the Community. This is especially the case for products in some sensitive sectors of the European economy, such as textiles.

But, since 1978, the European Commission in Brussels has observed that a significant number of frauds are being perpetrated by exporters from certain Southeast Asian countries. These manufacturers (primarily located in South Korea or Hong Kong) attempt to pretend that other countries through which their products transit, such as Indonesia or Japan, are the

countries of origin for the goods. In this way, they can export more than the amount specified in the trade agreements their governments have negotiated and signed.

The products involved in such fraudulent exports are, in order of magnitude, socks, trousers, shirts and sweaters, household linens and anoraks. When the European Commission uncovers this type of fraud, it immediately undertakes an investigation in collaboration with the customs Authorities of the Member States and the exporting country, which are generally cooperative. Often these enquiries can be extremely long and it is not always easy to determine exactly the amounts involved.

Several such investigations have recently reached a conclusion and several others are still underway. Without this type of vigilance, the credibility of the accords concluded by the European Community would be undermined.

SOCIAL : Charter of rights for the handicapped

On Tuesday, 15th April 1980 at a meeting in Strasbourg, a working party of the Socialist Group adopted a motion put forward by four Irish Labour M.E.P.s : John O'Connell, Eileen Desmond, Liam Kavanagh and Micheal O'Leary. The motion calls on the European Community to draw up and enforce a Charter of Rights for Europe's 10 million handicapped. This is prompted by the Irish members' concern at what they feel to be the 'blatant discrimination' practised against the disabled in such areas as education, employment, the social services and in society generally. The fact that 1981 has been designated the International Year of the Handicapped makes this a most opportune time for presenting such a motion. The Charter should take the form of a directive to all the Member States and the Irish members feel that the Nine should be urged to sign the U.N. Declaration on the Rights of the Handicapped and encouraged to appoint a Minister of State of the Handicapped in each State. They suggest a series of measures designed to redress discrimination against the handicapped and feel that a massive EEC campaign of school education, radio and T.V. programmes, exhibitions and conferences dealing with the rights of the handicapped is essential as public ignorance of the matter can aggravate the problems which already exist. The motion is due to go before the European Parliament later this year and hence gives the Community its chance to play its part in the International Year of the Handicapped.

DEVELOPMENT : EEC aid for drought-stricken Sahel

Africa's Sahel region spanning eight major countries which are also members of the Lomé Convention - Cape Verde, Chad, the Gambia, Mali, Mauritania, Niger, Senegal and Upper Volta - has suffered from drought for some years now. This has led to chronic food problems, which were at their worst about two years ago, but recur almost every year, as harvests are ruined once again by dry spells and inadequate rains.

Experts from the United Nations Food and Agriculture Organisation (FAO) and the Permanent Inter-State Committee for Drought Control in the Sahel have warned that serious food shortages will hit the region once again in 1980. The Community and its Member States, which are major aid donors to the Sahel countries, have responded to the Drought Control Committee's appeal for financial assistance. In a decision taken recently, the EEC Ministers agreed to grant emergency food aid covering 17,600 tonnes of cereals to five countries in the region. The aid will be distributed as follows : Cape Verde : 3,000 tonnes of cereals; Gambia : 2,600 tonnes of cereals; Mauritania : 4,000 tonnes of cereals; Senegal : 6,000 tonnes of cereals and Chad : 2,000 tonnes of cereals.

Further aid will be given to these countries when the Community draws up its food aid programme for the Third World later this year.

THIS WEEK : What's been happening in the EEC this week ?

COMMISSION : A public opinion poll conducted by the EEC Commission during the Year of the Child revealed that most adults still feel that having children is necessary to the fulfillment of the individual and more than half still think that the uncertain future is not yet a reason for not having children.

COMMISSION : EEC Commission President Roy Jenkins was on a week-long trip to India where he met Prime Minister Indira Gandhi and other government officials on a number of issues but particularly stressed the need to help the development of India's energy resources, such as coal.

COUNCIL : Ministers of the European Community met their counterparts from the five nations of the Andean group in Brussels on May 5 for the opening of talks aimed at a trade and economic cooperation accord between the two regional groups.

COUNCIL : Ministers representing the European Community and some 60 developing countries belonging to the Lomé Convention met in Nairobi on May 8 and 9 to review their relations and the implementation of the accords.

SEDOC - THE COMMUNITY VERSUS UNEMPLOYMENT

The unemployment situation is one of the most worrying and talked-about subjects in Europe today, and small wonder when we take a look at the present figures. Six and a half million people are unemployed in the European Community, even though unfilled vacancies reported by the public employment offices of the Nine total over 600,000. As well as that, since neither Ireland nor Italy register job vacancies with their public employment services, the actual total of unfilled vacancies may be much higher. Hence SEDOC, which could be described as a Community wide labour exchange. SEDOC, whose French initials translate into English as the 'European System of the International Clearing of Vacancies and Applications for Employment', is an offspring of the computer age. Adopted by the Commission of the European Communities on 14th December 1972, it is a technical aid which allows employment services to offer to their workers and to the firms in their own countries a combined job or labour force enlarged to the dimensions of the European Community. The Treaty of Rome guarantees the free movement of workers, and the SEDOC system is designed to help them make the most of this right.

One could not be blamed for wondering how effective such a system could possibly be, taking into account different Member States, different classifications of occupations and different terms to indicate the same activity. One small example of the problems involved is the term 'Galvaniseur' or 'Galvaniser'. In Germany and the Netherlands the 'Galvaniseur' is a skilled worker who must know the technique of electrolysis : in other words, he is what we call an 'Electroplater', while in France and Belgium the 'Galvaniseur' is a semi-skilled worker who prepares the baths for zinc-plating by means of immersion. What would happen when the German employment service accepted a French galvaniseur's request for employment in that field in Germany ? At the very least, both parties would have a big surprise in store !

To avoid these and all other possible difficulties and errors in communication, a team of experts appointed by a technical committee on the 'Freedom of Movement of Workers', after examining each single occupational activity, has put together the SEDOC system. This is, in effect, a coding system, using five digit numbers to identify every possible kind of job or profession. Of course, information provided on the basis of the title of a job or profession is not always enough to describe the vacancy or the applicant seeking employment. The people who devised SEDOC thought of this problem too and so drew up a series of appendices to give extra information

on the degree of qualification necessary to perform the job; on the sector in which the worker is being asked to work, or in which he has already worked, or in which he intends to work. They also specify, for instance, in the textile industry, whether the vacancy is in the Wool, Cotton, Silk or Jute industry, and which skill is required, as they vary enormously. Through SEDOC, the job market is opening up. Now, it is just as easy for a European citizen to find out about employment possibilities in the entire Community as well as those in his own country. For those prepared to work outside their native boundaries, SEDOC will provide them with all the available information on employment possibilities throughout the Community. To bring this about within the Community, the specialist employment services of each Member State exchange - at least once a month - a statement of vacancies and a statement of applications for employment. By always using the SEDOC uniform code, it is not necessary to know a foreign language to be able to read and use the information circulated by the other Member States according to the SEDOC system. Those responsible in the various offices of each Member State thus have a clear and detailed picture for every occupational activity, with regard to both the need for foreign labour, and to the availability of labour from the Community, within each Member State and in the EEC as a whole.

The system is very simple. Every day, Placement Officers in employment services all over the Community come in contact with people looking for jobs in their own country and many who would be interested in working in another Member State of the Community. The Placement Officer is then able to translate all details about the applicant concerning his profession and qualifications and personal details into a series of five digit figures which can be understood by all other national employment services within the Community. The national employment services can then use the code to match vacancies and applications for employment either within the country where the application was made in the first place or among the Member States of the Community.

The SEDOC system does not only help to fill some of those 600,000 vacancies.

Because of the information it has stored on the employment situation in each country, the Computer Centre of the European Community will, in time, be better able to forecast the need and availability of manpower within the Community and can calculate the fundamental trends in order to devise new employment and to establish future measures. For the unemployed in the Community the future is beginning to look slightly less bleak, thanks to SEDOC.