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** In order to provide the tools necessary for its activities in the ENVIRONMENTAL field, the European Commission has had a number of studies carried out on various problems relating to the protection of the environment and the fight against pollution. For further information on a number of these studies see ANNEX 1.

In addition, the European Commission has stated in a reply to a written question by Mr Glinne, a Member of the European Parliament, dealing with protective measures against DANGEROUS PRODUCTS, that it is currently drawing up a systematic inventory of the legal instruments and regulations of the Member States in this field.

** Between 1969 and 1971 LABOUR COSTS in the six nations of the Community increased more steeply than during the period 1966-69. In October 1971 labour costs were highest in West Germany and lowest in France. Furthermore, the gaps between these costs in the various countries have widened considerably since 1969, basically as a result of the changes in currency parities.

These facts emerge principally from the statistics on labour costs, gross hourly increases, working hours and the wage-earning sector within industry recently published by the Statistical Office of the European Communities (in the series "Social Statistics", No. 5/1972). Some information on labour costs within the Community can be found in ANNEX 2.

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The information and articles published in this Bulletin concern European scientific cooperation and industrial development in Europe. Hence they are not simply confined to reports on the decisions or views of the Commission of the European Communities, but cover the whole field of questions discussed in the different circles concerned.

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** The new agreements on the setting up and operation of the INTERNATIONAL SATELLITE TELECOMMUNICATIONS ORGANIZATION (Intelsat) will in all probability enter into force on 20 February 1973. The Member States of the enlarged Community together represent a share of 20.4% in this Organization, that of the United States being 38.8%.

Comprehensive extracts from a reply by the European Commission to a written question by Mr Glinne, a Member of the European Parliament, concerning Europe's role in Intelsat can be found in ANNEX 3.

** ANNEX 4 contains a selection of RECENT PUBLICATIONS acquired by the Scientific and Technical Library of the Commission of the European Communities. These can be consulted on the premises (1, Avenue de Cortenberg, 1040 Brussels, office: Loi No. 43, first floor) or can be loaned out.

** Requirements concerning AGREEMENTS COVERING SPECIALIZATION have recently been drawn up by the Commission of the European Communities with a view to promoting cooperation among small and medium-size companies. Only agreements covering specialization concluded between companies supplying less than 10% of the market, with a total turnover, including that of certain companies linked to them for economic reasons, not exceeding 150 million u.a. shall be exempt from the ban on forming restrictive agreements.

Apart from the agreement on mutual specialization of production, the parties to the contract must observe the following conditions:

- they shall only conclude specialization agreements with other companies to cover identical or similar products if the other parties to the contract give their consent;

- when supplying the other parties to the contract with specialized products they shall comply with the clause regarding minimum quality;
- they shall buy specialist products exclusively from the other parties to the contract only where it is impossible to obtain these products on better terms from other companies;
- they shall grant exclusive distribution rights for the specialist products to the other parties to the contract;
- they shall undertake the after-sales and guarantee service relating to the specialist products of the other parties to the contract;
- they shall maintain minimum stocks of and spare parts for the specialist products.

Specialization agreements fulfilling the conditions provided for by the regulation covering exemption by categories do not need to be published in order to attain their full legal validity. In order to be secure within the law from the beginning the companies will, in future, have to conclude their specialization agreements in conformity with the provisions of the regulation.

The European Commission has also granted an extension of 10 years, i.e., up to 31 December 1982, of the period of validity of the regulation concerning THE EXEMPTION BY CATEGORIES OF BILATERAL EXCLUSIVITY AGREEMENTS. This decision affects both companies, which thus acquire the legal security necessary in order to create a long-term distribution system, and consumers, who will benefit from the advantages accruing from exclusive distribution without being cut off from more attractive sources of supply.

** Within the Community, the legal instruments governing the granting of permits in the field of NUCLEAR SAFETY in each of the Member States do not differ substantially, but the judgments of a technical nature involved in the granting of these permits may differ according to the analyses employed and the standards, requirements or practices in force. The European Commission is attempting to harmonize the analysis methods used in the various States with the willing cooperation of the interested parties. It recently pointed this out in reply to a written question from Mr Ramaekers, a Member of the European Parliament, concerning the harmonization of techniques and technological requirements in the field of nuclear safety.

In addition, as part of the preliminary draft of the 1973 budget, the European Commission has proposed that a sum of 77,000 u.a. be earmarked for studies on the coordination of safety criteria, standards and practices - a subject which has to date only been dealt with where specific projects were examined.

Furthermore, in reply to a written question from Mr Vredeling, a Member of the European Parliament, concerning the CONSTRUCTION OF A NUCLEAR POWER PLANT IN ALSACE, the European Commission stated that among the arguments advanced by the Committee for the Safeguarding of Fessenheim and the Rhine Plain (a pressure group opposed to the use of nuclear energy), it has not discovered any factors enabling it to modify its point of view as regards the nuclear sector, in particular with regard to the guarantees of dependability offered by this source of energy when used in electricity supply networks.

As in the past, the Commission will help to advance knowledge and take or sponsor any initiative likely to further reduce, and if possible eliminate, the harmful consequences for the environment resulting from the production of this form of energy.

** During 1972 CRUDE STEEL PRODUCTION IN THE COMMUNITY of the Six was 113,108,000 metric tons; an increase of 9.4% over the 1971 figure (103,376,000 tons). The table below shows the distribution of crude steel production throughout the Six in 1972 and any changes in relation to 1971:

1,000 tons

	Germany	France	Italy	Netherlands	Belgium	Luxembourg	Community
1971	40,313	22,843	17,452	5,083	12,445	5,241	103,376
1972	43,703	24,054	19,784	5,580	14,530	5,457	113,108
1972/71 %	+ 8.4	+ 5.3	+ 13.4	+ 9.8	+ 16.8	+ 4.1	+ 9.4

** The adoption of a COMMUNITY TYPE-APPROVAL PROCEDURE FOR ULTRA-LIGHTWEIGHT MOTORCYCLES similar to the type-approval procedure for motor cars already adopted by the Council in 1970 has been approved by the European Commission, which passed on a proposal for a directive to this end to the Council of Ministers on 4 January 1973. It includes a definition of a Community ultra-lightweight motorcycle, i.e., a two- or three-wheeled vehicle fitted with an engine with a maximum capacity of 50 cm³, with a maximum authorized weight of not more than 250 kg and a maximum design speed not exceeding 45 km/h.

As both the definition of an ultra-lightweight motorcycle and the technical requirements in force in the various Member States differ widely, the Commission feels that it has adopted a modern, rational definition, the aim of which is to achieve optimum safety conditions.

Ultra-lightweight motorcycles have been divided up into two different categories, depending on whether they are fitted with pedals or not. These are known as "sped" or "skil" respectively, but there is to be no discrimination as regards technical, fiscal or administrative requirements.

This proposal for a directive must be supplemented by proposals laying down the specifications for the various items mentioned in this type-approval procedure, e.g., the permissible noise level, engine power (in conjunction with the maximum authorized speed), braking, lighting, etc.

On 4 January 1973 -- still dealing with the removal of technical barriers to trade -- the European Commission also adopted the two initial proposals for directives relating to the PRESSURE VESSEL sector.

Primarily this is a framework directive covering common requirements governing pressure vessels and methods of checking these. This general proposal for a directive states the underlying principles which will be pursued in the specific directives relating to various types of equipment.

The first of these specific proposals for directives is appended to this general directive in order better to illustrate the spirit in which the Commission intends to harmonize legislation in this very important sector. It relates to seamless steel gas bottles.

** The European Commission has submitted a draft decision relating to a new system of COMMUNITY AID TO COKING COAL AND STEELMAKING COKE (see IRT No. 162) to the Council of Ministers. The Council of Ministers examined this draft on 19 December 1972 without

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reaching an agreement. In the light of the exchange of views taking place it has instructed its permanent representatives to work out the details of a proposal for a solution to the problem of Community coking coal for steelmaking purposes and to submit these details by 31 March 1973 at the latest.

** The European Commission is currently setting up a system for the PERIODIC ACQUISITION OF INFORMATION from a group of companies forming a representative sample from the ENERGY SECTOR. The information thus obtained will enable the Commission to follow closely actual price movements on the market for the various forms of energy in the different countries of the Community, to analyse the repercussions of these movements, to carry out detailed studies on certain specific aspects of them and to exchange views with the governments and interested parties.

This was restated by the European Commission in a reply to a question by Mr Glinne, a Member of the European Parliament, concerning a clear-cut energy pricing system.

With regard to the implementation of the rules governing competition contained in the EEC Treaty, the Commission stated that to date and according to the information relating to consumer sales prices in its possession, it sees no reason to assume the existence of agreements or restrictive practices among companies in the energy sector which are contrary to the EEC Treaty.

** At its next meeting, which is due to be held in Brussels on 19 January 1973, the PREST Group on SCIENTIFIC AND TECHNICAL RESEARCH POLICY will deal primarily with the report on public funding of R&D in the Community countries (1968-72) (see IRT No. 167), a comparison of national R&D plans, programmes and budgets, concerted action within basic research, and nuclear document centres.

** After consulting the Consultative Committee of the Coal and Steel Community (ECSC), the European Commission has decided to make the adjustments necessitated by developments in the Community energy market to the provisions relating to the ALIGNMENT OF COAL SALES IN THE COMMON MARKET. For a long time now there has been no need to fear that the alignment, i.e., competition among coal producers, would lead to disturbances within the common market. Only the enlargement of the Community and the consequent uncertainty as regards developments on the coal market can justify a limitation for the moment - in a much lower key, however - of this alignment. The new regulation is designed to anticipate any disturbances which may result from the alignment, but at the same time it will avoid limitations other than those which appear necessary to the attainment of this goal.

THE EUROPEAN COMMISSION IS HAVING A NUMBER OF STUDIES CARRIED OUT ON THE PROTECTION OF THE ENVIRONMENT AND THE FIGHT AGAINST POLLUTION

In order to provide the tools required for its activities in the field of the environment, the European Commission has had a number of studies carried out on various problems relating to the protection of the environment and the fight against pollution. These include in particular the following:

1. A study on the possibilities and problems bound up with the introduction of CR certificates for industrial products, i.e., documents certifying the quality of a product from an environmental point of view.
2. A study of the economic tools of an environmental policy (standards, taxes, duties, joint projects, aid, etc.). Above all this will be a matter of stating the advantages and drawbacks of the various tools and methods, depending upon the objectives pursued.
3. A study of the economic repercussions of the various approaches to an environmental policy. More specifically this involves a study of the economic consequences of different assessments by the public authorities in the Member States of the danger presented by pollutants, the environmental quality standards to be achieved, the methods of passing on the cost of anti-pollution measures, methods of monitoring and control and repressive measures.
4. A critical study of the legal clauses and provisions relating to the fight against the pollution of the seas.

5. A study of movements in supply and demand as regards goods and services in the sphere of environmental protection (in West Germany and Belgium). This will cover pollution-measuring devices and equipment designed to reduce air and water pollution, devices aimed at reducing noise, plants for the reclamation of raw materials and energy, activities linked with the supervision and implementation of legal and administrative requirements and regulations, and information and educational activities relating to the protection of the environment.
6. A forward study on the environment in the megalopolis currently forming in north-western Europe, which will analyse the multifarious influences on the environment due to the accelerated process of population concentration and urbanization, and will single out the various measures to be contemplated so that this process may take place under the best possible conditions.
7. A definition of the nature and economic and social consequences of the problems raised by coastal pollution.
8. A supplementary study on the pollution of the Rhine aimed at adding to a study in the process of completion by providing more specific information on the quality standards to be adopted for the waters of the Rhine and also more detailed knowledge of the effect of the various types of pollution present in this river.
9. A study on the pollution of water by the petrochemical industry, the aim of which will be in particular to ascertain the material resources required to cut down on pollution and also to evaluate the investments required.

10. A study of the problems of industrial waste in relation to the principal industrial activities involved in the Member States of the Community.
11. A study of the technical and economic problems involved in the disposal of used oil in the Community with a view to formulating the best possible Community solution as regards environmental protection and the smooth operation of the common market.
12. A preliminary study of noise pollution which will list the characteristics, effects and potential offered by technology in the fight against noise, and in particular that caused by traffic on major roads and by airports, trains, underground railways and trams.
13. A feasibility study of a data bank covering chemical pollutants.
14. A study on the critical analysis of the O&M of water management in the Member and Acceding States of the Community.
15. A study of the equipment and techniques used for measuring air pollution with a view to harmonizing methods of measuring atmospheric pollution.
16. A study of the equipment and techniques used for measuring the principal pollutants of fresh water with a view to their harmonization.
17. A bibliographical study of the economic consequences of the damage and nuisance caused by atmospheric pollution by SO₂.
18. A preliminary study of the pollution caused by the production of nitrate and phosphate fertilizers.



LABOUR COSTS, GROSS HOURLY INCREASES, WORKING HOURS AND THE
WAGE-EARNING SECTOR IN INDUSTRY

Between 1969 and 1971 labour costs within the six countries of the Community increased more steeply than during the period 1966-69. In October 1971 labour costs were highest in West Germany, and lowest in France. Furthermore, the gaps between these costs in the various countries have widened considerably since 1969, basically as a result of the changes in currency parities (devaluation of the French franc and revaluation of the German mark).

These facts emerge principally from the statistics on labour costs, gross hourly increases, working hours and the wage-earning sector within industry recently published by the Statistical Office of the European Communities (in the series entitled "Social Statistics", No. 5/1972).

When expressed as a percentage of the average hourly cost in West Germany (for the whole of industry), the relative level of these costs in the other countries has varied as follows from 1969 to October 1971:

	<u>1969</u>	<u>October 1971</u>
West Germany	100	100
France	85%	72%
Italy	80%	81%
Netherlands	98%	94%
Belgium	97%	91%
Luxembourg	106%	91%

Hourly increases

From April 1971 to April 1972 the rate of increase in nominal gains remained very high everywhere. Over this same period increases were recorded of about 14% in Italy, slightly over 12% in Belgium and France, roughly 11% in Luxembourg and 10% in Germany.

Among the various sectors of activity the greatest increases were in the tobacco industry (+16%) in West Germany, in the vegetable and animal fats industry (+25%) in France, in the glassmaking industry (+40%) in Italy, in the plastics industry (+17%) in Belgium and in printing and publishing (+27%) in Luxembourg.

However, account should also be taken of rises in the cost of living. In real terms upward movements in average nominal increases for the whole of industry corresponds to an increase in purchasing power for the period April 1971-April 1972 of the order of 9% in Italy, 7% in Belgium, 6% in France and Luxembourg, and 4% in Germany.

Working hours

The working week for industrial workers has continued to grow shorter in every country. It lies between barely 42 hours in Italy and almost 45 hours in France, where it is still the highest (throughout industry). This general average is, however, influenced by a relatively long working week in the building trade (over 50 hours in Luxembourg and about 48 hours in France).

The manufacturing industry, taken as an isolated example in April 1972, worked 44 hours in France, 43 hours in Germany, about 42 hours in Luxembourg and Italy and $41\frac{1}{2}$ hours in Belgium.

THE ROLE ASSIGNED TO EUROPE IN THE INTERNATIONAL SATELLITE
TELECOMMUNICATIONS ORGANIZATION (INTELSAT)

(based on a reply from the European Commission to a written question
by Mr Glinne, Member of the European Parliament)

In all probability the new agreements covering the setting up and operation of the International Satellite Telecommunication Organization (Intelsat) will come into force on 20 February 1973 (see IRT No. 115).

Under the terms of the new agreements, Comsat, the representative of the United States at the Assembly of Signatories and at the Council of Governors, shall continue to act as manager of Intelsat's space activities under a long-term contract concluded with Intelsat for a period of six years. The United States - and Comsat - will thus continue to play a leading part in Intelsat. Although Europe continues to play a relatively marginal role in Intelsat - although this is now more important than at the time of the provisional agreement - is largely because it is currently not in a position to offer Intelsat the technical services supplied by the United States rather than owing to a lack of unity among its Member States. As long as a united Europe does not share in the utilization of this system, i.e., a share of the votes, to the same extent as the United States, and as long as its progress in space technology does not allow it at least to offer satellites comparable with those supplied by the United States, Europe has little chance of improving its position to any significant extent. The Member States of Intelsat who have all signed the new agreements - including the Member States of the future enlarged Community - are all very alive to this fact.

In general terms the European Commission feels with regard to the role of Comsat (consortium of telecommunications undertakings organizing the use of satellites) that work in the public service shall not be hindered by private interests. In addition, since Comsat will act as the manager of Intelsat under a six-year contract starting from the entry into force of the new agreements, the European countries should seek and propose an alternative solution when this contract expires.

Since this is an international telecommunications service (and not one of the other types of space application for which operational problems could occur in a different form), the idea of a single system of satellites working on a global system to give world coverage is reasonable in that it fosters the hope of optimum utilization of the system and consequently of a reduction in the cost of the service. The spreading of the cost over a large number of operators enables the cost of subscribing to the circuit to be sufficiently low for it to be accessible even to countries with a low density of messages to be transmitted. Under the terms of the new agreements, each country is to participate in the investment in Intelsat in proportion to the use it makes of the system and will receive annual interest on its share in the investment. If, under these conditions, the management of the system as a whole is such that the interests of all of the members are respected equally, it is natural that care should be taken that some of the participants in the Intelsat system should not be able to set up competing networks since this would benefit them alone, causing damage which would be spread throughout the rest of the members of the organization.

The Commission does not feel that the Member States of the enlarged Community should, in the longer term, envisage the setting up of a European intercontinental telecommunications system which would to some extent duplicate Intelsat, because of the economic appeal of

using a single global system. However, it is of the opinion that, along with the other European countries, they can develop what the Intelsat agreements do not prohibit - a regional satellite telecommunications system - for the purpose of meeting the increasing demand for a telecommunications service covering the European continent and fostering their technology in this field. Against this backdrop it will be appropriate to examine the potential role of the recently formed private company EUROSAT.

Furthermore, the European Commission is also of the opinion that the Member States of the Community should join with the other European countries and the AASM in order to improve their position during the period of final organization which will commence on the entry into force of the new agreements.

The Commission also thinks that the Member States of the future enlarged Community, which together represent 20.4% of the organization as opposed to the 38.8% share held by the United States, should join together at a Community level and define their common policy within Intelsat in relation to the industrial and technological development policy which they are implementing at a Community level. They can in addition act within the broader spectrum of the wide-ranging negotiations between Europe and the United States. Finally, the Commission, which has been persuaded that Europe's position within the Intelsat organization is linked with the development of its own space technology potential, hopes that the Member States will define and resolutely pursue a long-term space policy, the benefits of which they could, moreover, reap in several other fields apart from Intelsat.



RECENT PUBLICATIONS

acquired by the Scientific and Technical Library of the Commission of the European Communities which can be consulted on the premises (1 avenue de Cortenberg, 1040 Brussels, Office: Loi 43, first floor) or can be taken out on loan

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-- Ordnungssystematik zur Dokumentation Wasser

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