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250th Plenary Session

The Economic and Social Committee of the European Communities held its 250th Plenary Session in Brussels, on 18 and 19 November 1987. The Committee's Chairman, Mr Fons Margot presided.

The Session was attended by Mr Peter Schmidhuber, Member of the Commission who participated in the debate on the economic situation.

Making a success of the Single Act

A significant feature of this Plenary Session was the accent placed on rising to the challenge, laid down by the President of the Commission, Mr Jacques Delors at the beginning of the year, of making a success of the Single European Act. The Committee responded to the challenge by drawing up five Opinions on this subject which were adopted at the November Plenary Session.

OPINIONS ADOPTED

1. FINANCING OF THE COMMUNITY (Own-initiative Opinion)

Gist of the Committee Opinion¹

The Committee is alarmed by the possible repercussions of the Community's serious financial situation on European enterprise. It must not be forgotten that the Community has set itself the objective of creating an internal European market by 1992 and of achieving economic and social cohesion. In short this means that funds have to be found. This is what the ESC calls for in its Own-initiative Opinion, adopted by a large majority, with 4 votes against and 8 abstentions.

¹ CES 1072/87.

Achievement of the large internal market also necessitates the implementation of back-up policies (which requires additional funds) in fields such as transport, R&D, the environment and consumer protection. Achieving such a goal is inconceivable without economic, monetary and fiscal convergence, without a social dimension comprising more meaningful dialogue between the two sides of industry and coordinated action to combat unemployment, and without consideration for the specific problems of certain Member States, particularly regions in industrial decline and agricultural regions faced with the changes resulting from the reform of the common agricultural policy (CAP).

But the political price of creating Europe also has to be paid. It follows from this that the Community urgently needs more resources. Otherwise it will be a chimera, without the budgetary security which is crucial to its development. For this reason the Committee accepts the gradual abolition of the 10% refund of traditional own resources (i.e. levies, premiums, additional or compensatory amounts, fees and other CAP and CCT duties) to the Member States. The Commission therefore suggests that a new resource be created: a 'supplementary' levy at a uniform rate yet to be determined, defined as the difference between the respective GNPs of each Member State and the harmonized assessment basis for VAT.

The Committee supports the use of the GNP criterion, which will improve the Community's own resources system. GNP adheres more closely to reality and more accurately reflects Member States' ability to contribute. In the long term the system will be fairer.

Finally, the Committee insists that the principle of a 'fair return' cannot be reconciled with the essential solidarity between Member States. It is clear that the advantages and drawbacks which Community membership entails cannot be assessed in purely budgetary or financial terms. Too many unknown factors, political aspects and indirect or non-quantifiable consequences are involved for a simple mathematical calculation to be adequate.

Compensatory mechanisms are essential in an organization such as the Community, which means that the better-off help the less privileged in the common interest.

In conclusion the Committee considers that the reform of Community financing must go hand-in-hand with stricter budgetary discipline.

The Committee would emphasize that this is a crucial point which is fundamental to the acceptance of an increase in own resources. Even if certain factors such as currency fluctuations are beyond the Com-

munity's control, every effort must be made to prevent a recurrence of the errors of the past; in particular as regards multiannual commitments geared to long-term objectives.

Budgetary control is the crux of the Community's financial problem. Better management and tighter planning are therefore essential. Efficiency must of course take precedence and the impact of certain cut-backs must be carefully assessed. Discipline is essential both in drafting and implementing the budget.

This Opinion was drawn up in the light of the paper produced by the Section for Economic and Financial Questions chaired by Mr Goris (The Netherlands — Various Interests). Rapporteur was Mr Pardon (Belgium — Employers).

2. SINGLE EUROPEAN ACT/ AGRICULTURAL ASPECTS

'The Commission's agricultural proposals for implementing the Single Act'
(Own-initiative Opinion)

Gist of the Committee Opinion¹

In its Opinion, adopted by 91 votes for, 26 against and 11 abstentions, the Economic and Social Committee stressed the vital importance of agriculture for the Community and the need to maintain the CAP aims and principles defined in the early 1960s by incorporating them into the new objectives prompted by the current economic and political situation. The Committee sets out the following prerequisites for the reform of the CAP:

- (i) the situation of all those engaged in agriculture, including farm workers, had to be taken into account;
- (ii) the fact that farms in the Community were predominantly family concerns had to be respected;
- (iii) the adoption of appropriate treaties and agreements within the framework of GATT;
- (iv) the interests of the Third World had to be safeguarded;
- (v) a commitment on the part of all the Member States to reduce surpluses.

¹ CES 1070/87.

Given those prerequisites, the degree to which the various instruments were applied had in the Committee's view to be properly regulated and the associated, non-agricultural measures had to be adopted concurrently by the Community.

The Committee viewed with concern agricultural policy decisions which were not geared to finding appropriate solutions within the abovementioned reform parameters, but rather were determined exclusively by budgetary pressures. In the Committee's view it was perfectly possible to take account of both aspects (budgetary considerations and the need to find appropriate solutions) at the same time. That was all the more necessary from a political point of view since it was the only way of promoting the necessary consensus of all parties concerned.

The Commission had already devised market policy measures — a levy on milk producers, aids for small cereal farmers, consideration of regional policy aspects in the application of production quotas — which marked the first stages of a differentiated, more socially balanced agricultural policy. The less price policy was able to meet the demands of income and social policy, the stronger the latter policies had to be, either in their own right or in a supporting role. For instance:

- (i) There was a greater need for income transfers to the owners of small farms in disadvantaged farming regions and to farmers and their employees in areas where farming should be preserved for ecological reasons. The amount of those payments should be aligned on the income of the other inhabitants of the region.
- (ii) Measures should be introduced to align social security in the Member States.
- (iii) Farmers who had to give up their farms for structural reasons should receive assistance such as that received by the unemployed in other sectors of the economy.

Finally the Committee considered the Community would only master the crisis in agriculture if, together with its trading partners, policies were applied which contained production of commodities currently in structural surplus. Those policies would no doubt have to include a series of measures of which a prudent prices policy had to be one. But price policy in agriculture acted only slowly and urgent action was required to control surplus production without further damaging farmers' incomes. That meant that greater emphasis had to be placed on production controls.

This Opinion was drawn up in the light of the paper produced by the Section for Agriculture, chaired by Mr Lopez de la Puerta (Spain — Various Interests). The rapporteur was Mr Flum (Germany — Workers).

3. IMPLEMENTATION OF AGRICULTURAL STABILIZERS

'Implementation of agricultural stabilizers and the proposals concerning the following sectors: Sugar — Meat — Sheepmeat and Goatmeat — Other products'
[COM(87) 452 final]

Gist of the Commission proposal

In its Communication entitled 'Review of action taken to control the agricultural markets and outlook for the common agricultural policy' [COM(87) 410], the Commission described in detail the content and effects of the stabilizers already introduced, in respect of various products, to control both production and agricultural expenditure.

Although for certain product groups, the existing stabilizers have exerted real constraint in the control of expenditure, for other product groups the effect has been only limited, mainly because of the complexity of the decision-making process that has to be gone through before implementation. In order to attain the desired objectives, therefore, it is necessary to tailor the existing measures in order to make them more effective and to extend their application to all products.

The present proposals are in line with this commitment and set out the necessary legal instruments.

As regards the stabilization mechanism, some proposals have already been tabled in the Council. They concern oilseeds and wine.

In respect of the first product group, rapeseed, sunflower and soya, the Commission is asking the Council to take a final decision on its proposal to phase out the cut-off mechanism. If this mechanism is not abolished, there is little chance of achieving the desired stabilization of expenditure.

In this same sector, the Commission reiterates its proposal for the introduction of a stabilization mechanism for the prices of vegetable oils.

For wine, the Commission requests in particular a decision on its proposal relating to the limitation of replanting rights. The outlook for the 1987/88 harvest has given this matter increased importance.

For three other product groups — sugar, milk and sheepmeat — the Commission is presenting the reports and proposals which the Council has requested.

For sugar and milk, the Commission is proposing the retention of the present arrangements, but with the stabilization mechanisms tightened up. Thus, for sugar, the levies should, in future, allow this sector to finance itself, on an annual basis, under the Commission's management powers. For milk, the existing arrangements (quotas) have enabled production and the use of intervention to be brought under effective control. The Commission is proposing that the quota system be extended beyond 1989 and that the temporary suspension be consolidated.

For sheep and goatmeat, a product group for which there has so far been no stabilizer, the Commission is proposing the immediate introduction of maximum guaranteed quantities with direct effect on the aid or premium amounts where there are overruns. It is also proposing, firstly, the introduction in 1988 of a single premium which would gradually replace, by 1992, the present systems, and, secondly, the opening of negotiations with non-member countries on import arrangements (voluntary restraint).

For the other product groups covered by the common agricultural policy the Commission proposes the following:

For cereals, expenditure on which has soared in recent years, the Commission is proposing that the stabilization mechanisms already introduced be supplemented, first by certain adjustments to the intervention system and second by the introduction of a maximum guaranteed quantity of 155 million tonnes, overruns of which would aquire a reduction in the buying-in prices, an increase in the coresponsibility levy and a shortening of the intervention period.

Protein crops (peas and field beans), the cost of which has risen sharply, have so far not been covered by a stabilization mechanism of any kind. It is therefore proposed that a maximum guaranteed quantity (3.3 million tonnes) be introduced. The basic price would be reduced in proportion to any overrun.

For table wine, the surpluses of which have been steadily growing each marketing year, the Commission is proposing that the Council sets a new floor price for compulsory distillation, to be gradually reached by 1990/91. It is also announcing its intention to discontinue certain measures relating to short-term fluctuations (relocation aids, special price guarantees for long-term contract holders), which are no longer justified now that the surpluses are structural. It is proposing that the Council take a decision before 1990 on the measures the Commission will be submitting, in good time, in relation to enrichment.

Effective stabilizers are already operative for fruit and vegetables. The Commission is proposing that their scope be extended to products for which such mechanisms do not exist.

For tobacco, a product group for which the stabilization mechanism set up is not operated in practice, the Commission is proposing the introduction of maximum guaranteed quantities by groups, within a maximum overall threshold (of 350 000 tonnes); overruns of these maximum guaranteed quantities would automatically entail a proportionate reduction in prices and premiums.

The Commission is not, at this stage, proposing further action concerning the beef sector. The situation for this market at present depends heavily on action taken as regards milk. But the Commission will be submitting before the end of 1988 practical proposals for the beef sector, notably in the light of experience gained with the new intervention system introduced for this year.

At this stage the Commission does not feel it appropriate to give details of the financial consequences of the proposed stabilizers. Any figures would be hypothetical and it is only when the measures are applied that the savings, which will depend on the market situation at the time, can be calculated.

The Commission wishes to stress that these proposals form an indivisible whole and that any selective approach — particularly between the various products — must be ruled out. It has taken great care to ensure that no transfers of expenditure can occur, which means that action must be taken in respect of all the product groups.

It would also stress that the proposals fit into an overall context of various other provisions designed to attain the same ends. Their adoption and application are essential to the success of the present exercise:

- (i) more stringent market management and tighter budgetary control, to be achieved by means of the proposed amendments to the Financial Regulation; in this connection, the Commission would draw the Council's attention to its communication COM(87) 430 on budgetary discipline;
- (ii) socio-structural reforms, i.e. those already under way (the March 1987 package), those proposed by the Commission in April (income aids and early retirement) and those which are currently being drawn up (the reform of the structural Funds [including EAGGF Guidance], land use and the future of the countryside as a whole);

- (iii) bringing factors which are external to the CAP under control, in particular; achieving stability on world markets, a point which will be dealt with in a forthcoming Communication from the Commission to the Council on the talks within GATT. Action by the Community in that forum will be made much more credible as the Community will be able to point to its efforts towards the rationalization of the common agricultural policy.

The Commission also wishes to draw the Council's attention to the general question of the powers which must be conferred upon it if it is to achieve the stabilization targets; the Commission is not asking for a free hand but that, subject to conditions laid down by the Council in advance, it should be given wider-ranging powers to intervene than at present.

Gist of the Committee Opinion¹

In its Opinion, adopted by a large majority with 2 votes against, the Committee stresses that the Commission's proposals must be considered as a package of contingency measures, which do not replace the necessary reform of the CAP and may compromise jobs in farming, especially on family farms.

What is more, the Committee fears that unless such measures are accompanied by others aimed at changing the nature of the CAP and regional imbalances, they may consolidate and even accentuate existing imbalances.

But in view of the serious financial problems facing the Community and the Council's reluctance to grasp the nettle of CAP reform, the Committee favours the adoption of effective and timely measures aimed at bringing agricultural surpluses and spending under control.

This Opinion was drawn up in the light of the paper produced by the Section for Agriculture, chaired by Mr Lopez de la Puerta (Spain — Various Interests). The rapporteur was Mr Lojewski (Germany — Workers).

¹ CES 1071/87.

4. SOCIAL ASPECTS OF THE INTERNAL MARKET (European social area) (Own-initiative Opinion)

Gist of the Committee Opinion¹

'The internal market's aims can only be attained if the requisite industrial, commercial, financial and tax measures go hand-in-hand with social action to preserve and improve the existing balance,' the Economic and Social Committee declared.

As the Single Act formally declares, social dialogue is the key instrument of consensus. To give practical encouragement to the development process, the Community institutions must shoulder their individual responsibilities for the framing and implementation of growth strategies.

'In the face of problems such as employment, restructuring of the labour market, redeployment of working hours, organization of work, firms' capacity to adjust to technological change and improve competitiveness and provision for social welfare schemes — all of which are closely inter-related with alignment to adapt national laws to the internal market machinery, including its social dimension — there is a pressing need for basic social legislation which can be adapted to the entire Community'. Such basic social legislation should be introduced on the European level by majority voting in the Council.

'The Committee feels that the adoption of a framework Directive setting out inalienable basic social rights is both feasible and necessary for purposes of infusing the whole Community policy with fresh momentum and meaning', states the Opinion.

This point in particular, even though slightly amended, met strong opposition in the debate and was the main cause for the negative votes and the abstentions. The Opinion was adopted by 97 votes to 44 with 13 abstentions.

The provisions of this Directive, the Opinion added, could be inspired by existing Commission proposals, bearing in mind relevant European Parliament and Economic and Social Committee Opinions, the fruits

¹ CES 1069/87.

of social dialogue and declarations by ILO and the Council of Europe designed to secure:

- (i) the right of all workers, irrespective of contractual status and thus including part-time and fixed-term contract workers, (a) to negotiate and be covered by collective bargaining agreements or professional agreements, (b) to be protected by health and safety measures at the workplace, and (c) to contribute to and benefit from social security schemes;
- (ii) a ban on repeated renewal of fixed-term contracts;
- (iii) the right of workers to be informed and consulted in decision-making on technological innovation and on changes which affect business structures, the organization of production, and employment.

Such rights would provide a firm basis for smoother relations between labour and management in their traditional sectoral negotiations on wages, work organization and the flexibility which firms will need in adapting to new market dictates — while avoiding uncontrolled deregulation.

The Community and most of the Member States are discussing and initiating social security reforms. In view of the development of the internal market and the Community Governments' wish for 'economic and social cohesion', the Committee recommends a more coordinated Community policy on any changes in social security schemes. Such coordination must not be marked by a downward alignment of allowances.

Apart from being an expression of solidarity with the most under-privileged sections of society such as persons unable to find work, social security is also a *sine qua non* for maintaining an acceptable level of skills, efficiency and motivation in the economic system, thereby providing significant support for industry.

This Opinion was drawn up in the light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mr Carroll (Ireland — Workers). The rapporteur was Mr Beretta (Italy — Workers).

5. STRUCTURAL FUNDS

'Reform of the structural Funds' [COM(87) 376 final/2]

Nature of the Commission's proposals

Now that the Community has been in existence for 30 years and 1992 has been set as the deadline for completion of the internal market, there is finally official recognition of the fact that the Community's machinery for structural assistance has been largely overtaken by economic and other developments and has shortcomings that only a radical overhaul can remedy.

The Commission is accordingly proposing a comprehensive reform based on four interlinked key concepts:

- (i) concentrating on a limited number of objectives;
- (ii) defining the tasks of the Funds with reference to these objectives;
- (iii) increasing the financial resources;
- (iv) rationalizing the methods of operation.

Under the Treaty the Council has to act unanimously, within one year, on this proposal for a framework Regulation that the Commission has just issued. The reform will lead to proposals for implementing Regulations, on which the Council will have to act by a qualified majority.

The reform is to be concentrated on five major objectives:

- (i) promoting the development and structural adjustment of the less-developed regions;
- (ii) converting the regions affected by industrial decline and facilitating restructuring of declining industries;
- (iii) combating long-term unemployment;
- (iv) facilitating the occupational integration of young people;
- (v) speeding up the adjustment of agricultural structures and promoting the development of rural areas.

It should be noted that the two main groups of regions covered by the proposed measures will not be selected in the same way. In the case of the less-developed regions (20% of the Community population) the criterion will be per capita GDP (Northern Ireland will be included as of right), whereas in the case of regions affected by industrial decline (12-15%) the prime criterion will of course be of the level of unemployment; but owing to the great diversity of situations the eligible areas will be determined selectively.

Gist of the Committee Opinion¹

The European Single Act provides for a large internal market based on economic and social cohesion; for this a reduction in regional disparities is required. This ambitious objective will be impossible to achieve without a reform of the structural Funds which have of late become mere secondary vehicles for transferring funds and making compensation payments.

The European structural Funds (European Social Fund — ESF, European Regional Development Fund — ERDF, European Agricultural Guidance and Guarantee Fund — EAGGF) are in need of reform as there is a glaring disparity between the importance of their objectives and the inadequacy of their funding.

The Economic and Social Committee's Opinion on the reform of the structural Funds adopted by 91 votes to 2 with 9 abstentions, reiterates that the Funds' allocations are not consonant with the tasks assigned to them.

The ESC also notes the importance of the complementarity which must exist between the Community's efforts and those of the Member States concerned. Hence the need for greater involvement on the part of local and regional authorities, although the Commission recognizes that these authorities will only be able to participate if this is deemed necessary by the central government.

The Committee points to the difficulty of replacing the management committees by advisory committees, as proposed by the Commission, since the ESF Committee has its legal basis in the Rome Treaty which would have to be amended. The ESC suggest the setting-up of a single committee responsible for all the objectives so as to avoid problems in the allocation of responsibilities.

The ESC fails to understand why the Commission does not give any indication of how the transition is to be made from one system to the other in one year.

The Opinion approves the definition of precise objectives by the Commission and the concentration of all available resources on these objectives. It nevertheless considers that clear priority and at least 80% of the Funds should be given to objective 1 ('development of backward regions'). The Committee also proposes including disadvantaged island and upland areas in this objective.

¹ CES 1067/87.

The Commission had not ranked the objectives, giving them all equal priority and importance.

The Opinion also criticizes a certain slackness in the presentation of the objectives, some of which are geographical zones, others qualitative objectives to be pursued, where necessary, throughout the Community. In some cases it is difficult to decide if the objectives are mutually exclusive or complementary.

Finally, in the ESC's view, practical steps should be taken to ensure that the Commission can promote new forms of shareholding to give impetus to business in backward regions.

This Opinion was drawn up in the light of the paper produced by the Section for Regional Development and Town and Country Planning chaired by Mr Dassis (Greece — Workers). The rapporteur was Mr Serra Caracciolo (Italy — Various Interests).

Extracts from the speech of Mr Schmidhuber, Member of the Commission

Mr Schmidhuber said that the report on the economic situation 1987/88 had been prepared before the financial and stock-market crash. He went on to say:

'The crisis on the financial and foreign exchange markets will put further downward pressure on exports, investment and the propensity to consume. The prospects for growth and employment have therefore worsened. A rough calculation, taking into account in an entirely mechanistic way the changes which had occurred on the foreign exchange and stock markets up until a week ago, suggests that in 1988 economic growth will be one percentage point lower than forecast in the USA and half a percentage point lower in Europe. Growth in the Community will therefore fall below 2%.

Rapid and effective international cooperation is needed to counter the downward trend on the financial and foreign exchange markets with their unpredictable consequences for growth and employment. In this present phase of uncertainty it is not possible to say whether international cooperation will come about, and if so what form it will take. But for some time now repeated appeals to the Community for faster growth as a way of reducing international imbalances have been working themselves hard. Quite independently of the international economic context, stronger domestic growth is in the Community's own interests.

Recent events have made completion of the internal market even more urgent. The single internal market must become the motor of domestic growth, as the market can provide a new impetus for growth if its advantages are fully exploited. The internal market will strengthen the competitiveness of the Community economy and open up new opportunities for investment. And this will make the Community's economy less sensitive to international economic disturbances, as the examples of the US and Japanese economies have repeatedly shown.'

Mr Schmidhuber concluded in the following terms:

'I should like to finish with the Commission's constant refrain: application in full of the cooperative growth strategy for more employment is the only realistic way out of the short and medium-term difficulties which have been made more acute by the financial crisis.'

6. ECONOMIC SITUATION 1987/88

[COM(87) 500 final]

Gist of the Commission document

The Commission's Annual Economic Report 1987-88, which was drawn up before the recent financial and monetary crisis, describes the following:

- (i) the economic situation in the Community in 1987 and the prospects for 1988;
- (ii) the imbalances in the world economy;
- (iii) the tasks to be carried out by the Community;
- (iv) the policies to be pursued.

As regards the tasks described in the Report, special attention should be drawn to the need to bring about growth, economic and social cohesion and the completion of the internal market.

The policies which should be highlighted are the structural policies, monetary policies and budgetary policies.

The Commission concludes its Report with the following observations:

'The Community is faced with a difficult international environment. It must be self-reliant. It has major strengths to draw on: the structural adjustments in train, the improvement in profitability, the reduction of inflation, all create conditions favourable to stronger



Mr Margot, ESC President (centre) and Mr Moreau, Secretary-General (right) receiving Mr Schmidhuber, Member of the Commission, upon his arrival at the Committee's headquarters.



Mr Margot (left) and Mr Schmidhuber at the Plenary Session.

growth which will create jobs. The large internal market will give the economies of the Community additional momentum and accelerate technical progress. Its completion will have to be supplemented by effective Community policies which should also contribute to better economic and social cohesion. Closer cooperation between the Member States will improve the effectiveness of economic policy. To reinforce consensus on the policies to be followed, a continuation of social dialogue remains essential. Exploiting the Community dimension will thus enable Europe to make its economies more dynamic and to contribute to stabilizing the international environment.'

It also notes that more dynamic growth is both necessary and achievable.

Gist of the Committee Opinion¹

Scarcely a month after the stock-market and financial crisis had begun, the Economic and Social Committee solemnly appealed to European Governments to finally shed their reserve and, in the face of mounting perils, announce in concert a number of major economic and monetary measures designed to give a new and vigorous boost to economic growth, thereby encouraging Europe's major economic partners to do likewise in order to forestall the serious world recession which would be the inevitable consequence of insufficiently firm action.

This appeal is the central theme of the Opinion on the Commission's Annual Economic Report 1987/88 adopted by the Committee by 93 votes to 4, with 20 abstentions.

The Commission Report was drawn up before the stock-market crisis. The exact consequences of the crisis are difficult to predict although the general tendency seems reasonably clear, i.e. the crisis will curb growth. The Opinion goes on to say that governments, shaken hard by the warning signals sent out by the financial markets, will no doubt decide to tackle the root causes of the problem with greater vigour.

Just as the US Government should have made greater efforts to reduce the budget deficit, so it is hoped that the Government of Japan (whose trade surplus plays a significant role in the world trade disequilibrium) will, for the same reasons, do more to reflate the Japanese economy and open it up more to imports. The Committee also hopes that Community Governments — led by Germany whose

¹ CES 1068/87.

cautiousness is praiseworthy but probably now misplaced — will make a concerted, vigorous effort to reflate their economies; the Committee in fact calls upon them to do so as the dangers of recession now override the risks of inflation.

The Opinion states that there are perhaps three aspects to the issue of external trade:

- (i) the need to reduce the American trade deficit;
- (ii) the equally urgent need to reduce Japan's trade surplus and curb the growing surpluses of those newly-industrializing countries (NICs) which are not, or not heavily, in debt;
- (iii) finally, the need to take steps (including the writing off of certain debts) to enable genuine LDCs to build up enough credit to enable them to play a normal role in world trade.

The Committee attaches the greatest importance to the chapter on growth and employment in the Commission Report.

This chapter shows that growth has become more conducive to job-creation for a whole series of reasons, particularly the expansion of service industries and 'the reduction in the average number of hours worked by an employed person, which makes it possible to spread work over a larger number of people'. The Committee feels that a phased long-term reduction of working hours negotiated between the social partners, in particular via collective agreements, holds out the best prospects for boosting employment provided it is implemented in such a way as to avoid damaging the competitiveness of Community industry.

The Community will therefore first and foremost have to generate growth from within. It is the Community's bounden duty (and in its interests) to increase growth in Europe so as to help the world economy overcome the dangers inherent in the present crisis.

In the short term there must be greater solidarity and bolder action to stimulate the Community's economy.

Ways have to be found of boosting not only public but all other forms of investment, including company investment and investment in research and training.

Governments must not, however, confine action to monetary policies but must ensure closer coordination of macroeconomic policies and more vigorous budgetary policies. Given the higher growth rates of the last few years, these policies should be given more prominence and be able to operate within a framework of European-wide coordination.

The Report singles out two key instruments of budgetary policy: tax concessions and the growth of productive, public-sector investment. The Committee fully endorses the Commission's views on these.

Reductions in taxation and other fiscal contributions must be used, where possible, for the benefit of both firms and individuals. Such reductions boost household income (and hence domestic demand) and do not place an excessive strain on firms in terms of labour costs.

We feel however that this instrument must be used with circumspection:

- (i) it must not lead to the public sector running up structural deficits which cannot be sustained in the medium term;
- (ii) it must not curb the upswing in public investment (both these constraints would trigger cuts in other areas of government expenditure, e.g. non-justified subsidies and certain types of operating expenditure);
- (iii) it must not jeopardize the social and redistributive function of tax and quasi-tax systems.

These constraints will undoubtedly compel most Member States to couple tax reductions with a reorganization of their taxation systems.

It will also be necessary to work gradually towards a satisfactory level of convergence in the field of taxation. In the long run, indirect taxes will undoubtedly have to be harmonized or even unified within the single market — as will corporate taxation if there is to be fair competition. Moreover, excessive divergencies between direct personal taxation rates will almost certainly spark off a brain drain in certain Member States. All this poses a great many problems and there will no doubt be long delays before measures are implemented. In the long term, however, the goal of convergence will be achieved.

The Committee thinks that it is the binding duty of all Community citizens, and first and foremost of their governments, to complete the single market as quickly as possible.

Steps should, however, be taken to ensure that the single market does not make the strong stronger and the weak weaker. The creation of a single market will therefore have to be backed up by an additional effort to secure cohesion.

Finally, to further increase long-term growth and ensure that such growth is sustained after completion of the single market, the Committee believes that the Community should drastically boost the effectiveness of its research and innovation drive — a measure which depends on Europeans and Europeans alone.

An overall expansion of European research is certainly desirable but the most important thing is to coordinate existing research more closely.

This will no doubt be achieved by greater business cooperation within the single market but it should also be achieved if the Community itself steps up its efforts to promote coordination.

Finally, the Committee emphasizes the crucial role of high-quality vocational training in reducing unemployment (particularly youth unemployment and long-term adult unemployment).

It is a well-known fact that, other things being equal, unemployment is concentrated (a) in those workforce categories which receive the least training, and (b) in regions where there is the biggest dearth of vocational training schemes.

There are a number of excellent vocational training models in the Community. The Commission and national governments should endeavour to make such models better known and to introduce them on a wider scale.

This Opinion was drawn up in the light of the paper produced by the Section for Economic, Financial and Monetary Questions, chaired by Mr Goris (The Netherlands — Various Interests). The rapporteur was Mr Collas (France — Employers).

7. INFORMATION SERVICES MARKET

‘Proposal for a Council Decision concerning the establishment of a policy and a plan of priority actions for the development of an information services market’
[COM(87) 360 final]

Gist of the Commission proposal

The present document is a follow-up to the Commission Communication COM(85) 658 final comprising a work programme for creating a common information market upon which the Committee unanimously adopted a favourable Opinion in July 1986.¹

The object of the document’s draft decision is to lay down a plan of action for the development of an information services market with the following aims:

¹ OJ C 263 of 20 October 1986.

- (i) to set up an internal information services market by the end of 1992;
- (ii) to stimulate and reinforce the competitive capability of European suppliers of information services;
- (iii) to promote the use of advanced information services in the Community;
- (iv) to reinforce the joint efforts to achieve the internal and external cohesion of the Community with respect to information services.

In order to attain these objectives the following actions shall be undertaken under the responsibility of the Commission:

- (i) the establishment of a European information market observatory;
- (ii) the presentation to the Council of proposals which will aim at eliminating technical, administrative and legal barriers to the establishment of an information market;
- (iii) the improvement of the conditions for transmitting and accessing information services;
- (iv) the preparation of initiatives concerning the role of the public sector in the information market;
- (v) the launching of pilot and demonstration projects which will act as catalysts for the development of a European market;
- (vi) the preparation of a specific action in favour of libraries;
- (vii) the reinforcement of user support activities and the launching, in coordination with the Member States, of a campaign to promote the wealth and quality of European information services available on the market.

This action plan will be implemented in two phases:

- (1) an introductory phase designed to intensify cooperation between the different parties concerned and to test the feasibility of a number of pilot and demonstration projects. The amount for the implementation of this introductory phase is 15 million ECU for 1989 and 20 million ECU for 1990.
- (2) a second phase, the contours of which are to be established on the basis of an evaluation report on the results obtained during the introductory phase; this will constitute guidelines for the continuation of action until 1992.

Gist of the Committee Opinion¹

In its Opinion, adopted unanimously, the ESC welcomes the Commission's draft decision, as well as the aims set out and the planned priority actions, including:

- (i) the setting-up of an internal market for information services;
- (ii) stimulating and strengthening the competitive supply capacity of European information suppliers;
- (iii) promoting the use of new, more advanced information services in the Community;
- (iv) strengthening the solidarity and unity of the Community internally and externally in the field of information services.

Such action would encourage developments which also have considerable importance for the labour market in the Member States, since jobs which are not created on this market are lost to non-EEC countries.

In particular, the Committee thinks it necessary to develop a European research market, in order to reduce the present partial but one-sided dependence on data banks in non-EEC countries, and to ensure comprehensive specialized information for all fields in the long term.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Vassilaras (Greece — Various Interests).

8. GREEN PAPER ON TELECOMMUNICATIONS

**'Green Paper on the development of the common market
for telecommunications services and equipment'**
[COM(87) 290 final]

Gist of the Commission proposal

The convergence between telecommunications and computing is revolutionizing the industrial and socio-economic scene in Europe at an ever-increasing pace.

The information technology revolution has been brought about by the spectacular developments in the areas of:

¹ CES 1062/87.

- (i) microelectronics (chips);
- (ii) digitization (the introduction of 'computer language' into standard telecommunications functions such as switching and transmission);
- (iii) new transmission techniques (optical fibres, satellites).

The combination of these phenomena has created an unprecedented momentum in which telecommunications, computing and television are closely bound up.

By the turn of the century up to 7% of the Community's GDP will depend on the telecommunications sector compared with just over 2% at present. By the year 2000 about 60% of jobs in the Community will be affected by telecommunications through information technology. In Europe, in big industrial companies for example, the demand for data communication capacity is growing at around 20 to 40% a year. Over the next 20 years experts believe that total public and private investment in the Community's telecommunications sector could be somewhere between 500 and 1 000 billion ECU.

Faced with this world challenge on which the future competitiveness of the European economy will obviously depend, the European Community must take action on two aspects: the scale of the market and its future organization.

The scale

No single Community country accounts for more than 6% of the world telecommunications market today whereas the United States has a 35% share and Japan 11%. Taken as a whole, however, the Community telecommunications market comes mid-way between its American and Japanese competitors with 20% of the world market. The Community needs competitive market structures.

Organization

The technological revolution is bringing about the collision of two different regulated sectors: telecommunications, which has traditionally been dominated by State monopolies; and computing, which, by contrast, has developed in a competitive environment, although dominated by powerful multinational companies.

In a telecommunications environment based mainly on traditional 'tools' — the telephone, telegraph and telex — Europe could get by with the co-existence of national monopolies. The growing information technology revolution is breaking new ground: leaving aside any ideological discussion, if this new world challenge is to be taken

up as it should, Europe cannot leave it to the existing national monopolies to organize everything: regulations, supplies, operation and pricing. The current framework cannot satisfy the legitimate expectations of consumers and European industry.

No country and no company can escape these developments. The Community's US and Japanese competitors have reacted according to their own perception of the situation and re-regulated their telecom sector to improve its performance and competitiveness and also to protect it more efficiently. Europe must also re-adjust its telecommunications structure in the light of its own specific characteristics.

Faced with these developments the European Commission in its Green Paper proposes not 'free-for-all' market opening but a progressive transition towards a competitive market which first of all should give European manufacturers a continental base from which they can fight the coming information technology battle on equal terms with their US and Japanese competitors.

Secondly, users must be allowed to develop or use the numerous new services that will be generated by the coming together of computing and telecommunications at the lowest possible cost.

The main lines of action proposed are as follows:

- (i) phased complete opening of the terminal equipment market to competition;
- (ii) substantial opening of the telecommunications services market to competition with the exception, at this stage, of a limited number of basic services considered essential to satisfy current public service goals;
- (iii) the right to cross-frontier provision of services in the Community;
- (iv) continuation of exclusive or special rights for the telecommunications administrations (public or private carriers) regarding provision and operation of the network infrastructure, and recognition of the central role of telecommunications administrations (public or private carriers) in the establishment of future generations of infrastructures;
- (v) clear separation of the regulatory and operational functions of public or private undertakings managing networks;
- (vi) opening-up of the market in satellite ground stations in so far as such equipment should be assimilated with telecommunications terminals rather than infrastructure;

- (vii) recognition of the fact that telecommunications tariffs should follow cost trends;
- (viii) development of a consensus by both sides of industry to smooth the transitions and take maximum advantage of the development of networks and services to create new jobs;
- (ix) speeding-up of economic development and reduction of the isolation of the outlying regions of the Community through telecommunications;
- (x) establishment of common positions in the various international bodies (GATT, ITU, etc.);
- (xi) finally, as regards standardization, the Commission recommends the creation of a European Standards Institute: a small core team bringing together experts from public and private network operators and experts seconded by the industry would substantially accelerate the elaboration of the standards and technical specifications indispensable for an open and competitive market environment and the development of 'made in Europe' information technology services.

Gist of the Committee Opinion¹

In its Opinion, adopted by a large majority with 2 votes against and one abstention, the Committee approves entirely the maintenance (or creation) of the current and future integrity of the basic network infrastructure, which should include cable and satellite TV networks, used for two-way communications, as recommended in the Green Paper. Similarly, the Committee supports the continued exclusive or special rights of the telecommunications administrations to provide and operate the network infrastructure and to provide certain basic services, the aim being primarily to safeguard their public service role.

The full opening of the terminal market to competition must be phased and short-term, transitional solutions found, since for the moment a large majority of Member States wish to maintain the monopoly on the first telephone set. The continuation of this monopoly will ensure, among other things, that telecommunications services are provided on a uniform tariff base in the disadvantaged regions.

The financial viability of the telecommunications administrations is also very important if they are to maintain a reliable network and

¹ CES 1073/87.

make the substantial investments needed for modernization of the network.

This Opinion was drawn up in the light of the paper produced by the Section for Transport and Communications, chaired by Mr L. J. Smith (United Kingdom — Workers). The rapporteur was Mr Rouzier (France — Workers).

9. RADIATION PROTECTION

'Proposal for a Council Decision adopting a revision of the multiannual research and training programme for the European Atomic Energy Community in the field of radiation protection (1985-89)'

[COM(87) 332 final]

Gist of the Commission document

By a Decision of 12 March 1985 (OJ L 83 of 25.3.1985) the Council adopted a new research and training programme for the European Atomic Energy Community in the field of radiation protection (1985-89).¹

The programme, which was approved by the Committee on 23 November 1983 (OJ C 23 of 30.1.1984), has a threefold purpose:

- (i) to identify and evaluate problems related to the protection of man and his environment against ionizing radiation and radioactivity and to suggest solutions before these problems become a threat to mankind;
- (ii) to perfect the methods used to protect workers and the public by scientifically updating standards and by developing preventive techniques and the methods used for countering the damaging effects of radiation and for coping with the consequences of accidental exposure to radiation;
- (iii) to evaluate the risk of irradiation and place it in the context of the other risks inherent to modern society.

By virtue of Article 3 of the Decision of the Council, the Commission has conducted a reappraisal of the programme, culminating in the proposed revision which takes account of the Chernobyl accident and the lessons to be drawn from it — both in terms of the immediate radiological consequences and the longer-term repercussions — and of hypothetical future accidents.

¹ This programme is a continuation and extension of two previous programmes covering the periods 1976-80 and 1981-84.

In general terms this programme has to be seen in the context of the new framework of Community R&TD activities 1987-91, and more particularly those concerning the quality of life (improvement of living and working conditions and protection of the environment).

Gist of the Committee Opinion¹

The Committee unanimously approves the revision of the programme, proposed by the Commission, and notes that the Council and the Commission have already acted on some of its recommendations (see the ESC Opinion of November 1983).

With regard to:

- (i) Funds to be allocated to research in the field of radiation protection, the Committee feels that the need for an increase in funding has been highlighted by the Chernobyl nuclear accident.
- (ii) Low-dose radiation, the Committee feels that priority should be given to research in this field and also to research into natural radiation.
- (iii) Crisis management in the event of a nuclear accident, the Committee feels that the Commission should look in detail at the question of crisis management and the multifarious problems which it raises (foodstuff contamination, definition of high-risk groups, evacuation plans, training of personnel concerned, etc.).
- (iv) Informing the public, the Committee thinks there is a need to inform the general public in a scientific and comprehensible manner about radiation issues. The two sides of industry and consumer interests should be involved in consultation on R&D programmes and in the advance planning of crisis management.

This Opinion was drawn up in the light of the paper produced by the Section for Energy, Nuclear Questions and Research, chaired by Mr Romoli (Italy — Employers). The rapporteur was Mr Preben (Denmark — Workers).

¹ CES 1063/87.

10. BRITE PROGRAMME (Application of new technologies)

'Proposal for a Council Decision amending Decision 85/196/EEC concerning a multiannual research and development programme of the European Economic Community in the field of basic technological research and the application of new technologies (Brite) (1985-88)' [COM(87) 307 final]

Gist of the Commission document

By a decision dated 12 March 1985 (OJ L 83 of 25 March 1985) the Council adopted a multiannual R&D programme in the fields of basic technological research and the application of new technologies (Brite) (1985-88).

The principles of this programme were approved by the Committee at the end of 1983 (OJ C 358 of 31 December 1983) and its main aim is to consolidate Member States' related research capacity in projects which help to strengthen the scientific and technological bases of the Community's traditional industries and thus improve their international competitiveness.

The programme takes the form of shared-cost contracts receiving one half of their funds from the Community or concerted actions not requiring Community finance. In order to be eligible, research projects must involve partners from at least two Member States and at least one of these partners must be an industrial firm.

It has been estimated that 125 million ECU will be required to implement the programme. However, the Council decision stipulated that the programme would be reviewed during the second year and its revision could be proposed by the Commission as a result.

This review was the subject of a Commission memorandum in May 1986 [COM(86) 271 final of 21 May 1986] and the Commission has not presented the Council with a proposal for the programme's revision which has been referred to the Committee for its Opinion.

This revision has a threefold objective:

- (i) to increase the funds estimated as being necessary for the programme's implementation from 60 million to 185 million ECU;
- (ii) to give the programme more of an industrial bias by giving priority to research projects involving at least two industrial organizations from different Member States;

- (iii) to permit the participation of firms or organizations from non-Community countries with which the Community has concluded framework agreements for scientific and technical cooperation, in order to enhance European cooperation in the field of research and technological development.

Gist of the Committee Opinion¹

The Committee unanimously approves the Commission's proposed revision of the Brite programme, which gives an impetus to European cooperation in industrial research.

The Committee makes a number of specific comments and suggestions, especially with regard to:

- (i) The assessment of the programme's social impact and results: the Committee thinks that each assessment should include an estimate of the results of a successful project on industrial competitiveness, employment, the health and safety of employees, environmental aspects, the quality of life and the working environment.
- (ii) The involvement of small and medium-sized enterprises: while welcoming the growing involvement of small and medium-sized enterprises in the Brite programme, the Committee thinks that in order not to compromise the critical size of projects, the Commission should encourage the sub-contracting of suitable sections of projects to SMEs by larger industrial participants.
- (iii) The utilization of successful results: the Committee would draw attention to the importance to be attached to the organization and use of adequate provisions on the matter and supports the Commission's ideas on certain financial engineering mechanisms which could be put into operation.

This Opinion was drawn up in the light of the paper produced by the Section for Energy, Nuclear Questions and Research, chaired by Mr Romoli (Italy — Employers). The rapporteur was Mr de Normann (United Kingdom — Employers).

¹ CES 1064/87.

11. PROTECTION OF THE RHINE

'Proposal for a Council Decision concerning a supplement in respect of carbon tetrachloride to Annex IV to the Convention for the Protection of the Rhine against Chemical Pollution', and the

'Draft Commission Communication to the Council concerning the recommendations of the International Commission for the Protection of the Rhine against Pollution on the monitoring of carbon tetrachloride discharges'
[COM(87) 427 final]

Gist of the Commission proposal

The Council decided on 25 July 1977 to approve the Convention for the Protection of the Rhine against Chemical Pollution (77/586/EEC). In accordance with Articles 3, 4, 5 and 14 of this Convention, the International Committee for the Protection of the Rhine has drawn up:

- (i) a proposal designed to supplement Annex IV to the Convention, and
- (ii) a recommendation on the monitoring of carbon tetrachloride discharges.

Both the proposal, which will enter into force after unanimous adoption by the Contracting Parties to the Convention, and the Recommendation concern discharges of carbon tetrachloride into the Rhine.

The measures put forward are largely compatible with the provisions laid down in the Annexes to Directive 86/280/EEC of 12 June 1986 on limit values and quality objectives for discharges of certain dangerous substances included in List I of the Annex to Directive 76/464/EEC.

Gist of the Committee Opinion¹

In its Opinion, adopted by 80 votes to 3, with 9 abstentions, the Committee approves the proposal but adds the following comments:

The Commission is urged to reduce, in consultation with the Commission for the Protection of the Rhine, the period for introducing the new limit values from 10 to two years so as to accelerate the clean-up process.

¹ CES 1078/87.

According to recommendation 3 (Annex I), the competent authority must monitor the emission standards. This may involve measurements taken by the authority itself and/or checks of samples taken and analysed by the industrial operators. It is our view that the competent authority must always carry out the measurements and analyses.

Regarding the Commission's negotiating brief, e.g. as a member of the Commission for the Protection of the Rhine, the question arises of what possibilities the Commission has to depart from its mandate if other parties to an agreement put forward proposals which go beyond the mandate guidelines laid down by the Community.

This Opinion was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Jaschick (Germany — Various Interests). The rapporteur was Mr van Dam (The Netherlands — Employers).

12. DANGEROUS SUBSTANCES

'Proposal for a Council Directive amending Annex II to Directive 86/280/EEC on limit values and quality objectives for discharges of certain dangerous substances included in List I of the Annex to Directive 76/464/EEC (2nd amendment)'
[COM(87) 457 final]

Gist of the Commission proposal

The purpose of this proposal is to expand, in respect of two dangerous substances (hexachlorobenzene and hexachlorobutadiene), the specific provisions laid down in Annex II to Directive 86/280/EEC on limit values and quality objectives for discharges of certain dangerous substances included in List I of the Annex to Directive 76/464/EEC.

Directive 76/464/EEC concerns pollution caused by certain dangerous substances discharged into the aquatic environment of the Community, and seeks to eliminate water pollution by dangerous substances included in the families and groups of substances in List I of the Annex to the Directive. The Directive provides that discharges into Community waters which are liable to contain any of the substances in List I shall require prior authorization by the competent authority of the Member State concerned. For such discharges the authorization must lay down emission standards which must not exceed limit values to be laid down by the Council, acting on a proposal from the Commission. Emission standards may also be set

on the basis of quality objectives in cases where a Member State can prove that such objectives, also to be laid down by the Council, are being met and continuously maintained throughout the area which might be affected by the discharges.

Directive 86/280/EEC is a 'framework' Directive setting out the legal provisions applicable to all the substances in List I of the Annex to Directive 76/464/EEC and containing a set of technical provisions in its Annexes.

Gist of the Committee Opinion¹

The Committee unanimously approves the proposal for a Directive as a whole but regrets that it was submitted so late. The Committee would like to see the deadlines for application of the limit values considered as minimum requirements which could perhaps be brought forward.

In line with its Opinion on the Fourth Community action programme on the environment the Committee would like to see quality objectives and limit values considered together, rather than as alternatives. The combined effect of substances should also be considered and reflected in the proposed Directive's tables.

The Committee feels that limit values for the emission of HCB from the production of perchlorethylene and carbon tetrachloride via the perchlorination process should be reduced and that values for the period after 1988 should also be fixed.

The rapporteur-general for this Opinion was Mr Proumens (Belgium — Employers).

13. SHIPBUILDING

'Second Communication from the Commission on shipbuilding — industrial, social and regional aspects'
[COM(87) 275 final]

Gist of the Commission's Communication

The Commission's Communication proposes:

- (i) a Regulation on the conversion of shipbuilding areas, continuing the work undertaken through Council Regulation (EEC) No 1787/84, based on ERDF funding (200 million ECU 1988-90);

¹ CES 1079/87.

- (ii) a Regulation promoting a specific Community programme of accompanying social measures, based (Article 235) on new resources (71.5 million ECU 1988-90).

As regards the social measures, the Commission points out that the situation of employment in the shipbuilding industry is one of quantitative and qualitative mismatch — over the past 10 years, total employment has fallen by over 50%. The imbalance in the field of employment is accentuated by the specific problems of the labour market in those declining industrial areas where shipbuilding is a major industry and unemployment has already reached very high levels; the said imbalance is also exacerbated by the time-lapse between immediate total or partial closures of certain yards and the longer-term beneficial effects of industrial measures on the most efficient shipyards and of measures taken in the context of employment and regional policies.

The Commission considers that the employment situation is such as to call for the urgent adoption of a Community programme of new accompanying social measures to assist shipbuilding workers who are made redundant or threatened with redundancy. The new specific measures must encourage the absorption into economic life, socio-occupational integration and geographical mobility of workers made redundant or threatened with redundancy, as well as facilitate the transition to permanent retirement from working life of elderly workers who are no longer considered as being in search of employment. They complement the measures qualifying for assistance under the European Social Fund and the European Regional Development Fund.

The Commission's proposals are as follows:

(a) Measures to encourage the absorption into economic life and socio-occupational integration

Any worker made redundant or threatened with redundancy who takes advantage of one or more eligible measures to encourage the absorption into economic life and the socio-occupational integration, may benefit from the Community programme's assistance for eligible expenditure up to a maximum of 2 500 ECU per worker, subject to the condition that the public authorities of the Member State concerned provide an equivalent financial contribution.

Assistance may be granted for expenditure in respect of the following:

- (i) recruitment aid;
- (ii) income maintenance allowances (to compensate for the difference in wages between the old and new job);

- (iii) subsidies to promote the setting up of new businesses or setting up in a self-employed capacity;
- (iv) assistance towards the cost of consultancy services;
- (v) recruitment aid for schemes to provide work on community service projects;
- (vi) tide-over allowances (to supplement unemployment benefit).

(b) Measures to promote mobility

Any worker made redundant or threatened with redundancy may benefit from a mobility premium, up to a maximum of 1 500 ECU per worker, to cover eligible expenditure on moving house, subject to the condition that the public authorities of the Member State concerned provide an equivalent financial contribution. This premium may be combined with vocational training operations or measures to encourage the absorption into economic life and the socio-occupational integration.

(c) Measures to ease the transition to permanent retirement from working life

Any older worker who is made redundant and is no longer regarded as seeking employment under the provisions of the laws of his country, whether retiring early on a pension or receiving a tide-over allowance in the form of a bridging benefit designed to supplement unemployment benefit, may benefit from an allowance for the permanent retirement from working life amounting to a maximum 5 000 ECU per worker, subject to the condition that the public authorities of the Member State concerned provide an equivalent financial contribution.

Gist of the Committee Opinion¹

The Economic and Social Committee adopted its Opinion on this subject unanimously.

The Commission's extremely pessimistic forecasts concerning the drop in capacity in both the shipbuilding and shipping sectors are highly questionable; but if there is to be a significant improvement in the position of the Community's shipbuilding sector, a coherent, overall package of measures must be adopted by the Member States and the Community in the fields of industrial and trade policy. In the absence of a precise industrial policy and a purposeful coordinated

¹ CES 1074/87.

foreign trade policy which takes account of overall relations with the relevant rival countries, regional and social policy measures (however necessary and valuable they may be) will not prevent the Community shipbuilding sector, or rather the remains thereof, from having to continue the struggle to remain competitive under distorted terms of competition.

More particularly, in its overall negotiations on commercial and industrial matters with a number of countries which are competitors in the shipbuilding sector (especially Japan, South Korea and China), the Community has to exercise its political clout with a view to obtaining these countries' commitment to a future policy of self-restraint in the shipbuilding sector and abandonment of dumping practices.

Many shipyards have a major influence on the economic and employment structure of the region. Therefore, where necessary restructuring is being carried out in the shipbuilding sector, plants capable of being put to other productive uses must be preserved and redeployed. It must be borne in mind here that the potential for innovation in the industry varies.

The process of restructuring the regions concerned and creating new jobs should therefore be backed up in particular by direct restructuring of firms (whereby a direct link is established between capacity adjustment in the traditional shipbuilding sector and capacity utilization for new productive activities).

Coordination between the Renaval programme and the accompanying social measures is of key importance. The stress must be on an integrated approach to obtain the maximum synergy. More generally, all the regional and social measures to help shipbuilding (ERDF, Social Fund, Renaval, accompanying social measures) must be consistent and complementary. This integrated approach will help ensure that the accompanying social measures have the maximum effect, and that all workers benefit regardless of whether they are employed in the shipbuilding sector proper or in ancillary industries.

The rapporteurs-general for this Opinion were Mrs Bredima-Savopoulou (Greece — Employers) and Mr Schmitz (Germany — Workers).

14. RESIDER

'Proposal for a Council Regulation (EEC) instituting a Community programme to assist to conversion of steel areas (Resider programme)'
[COM(87) 388 final/2]

Nature of the Commission proposal

This Commission proposal forms part of a package covering all aspects of restructuring of the steel industry. The proposed Community programme Resider, in common with the Renaval programme, is based on Article 7 of European Regional Development Fund Regulation 1787/84. Both programmes are run by DG XVI (Regional Policy).

The problem of over-capacity in the steel industry is far from being solved. Capacity cutbacks of some 30 million tonnes are still needed, which could mean the loss of an additional 80 000 jobs between 1987 and 1989.

The Commission has already implemented similar measures to back structural operations to assist steel-producing areas in connection with 'non-quota' action under the first ERDF Regulation. The strategy is to develop the latent potential most likely to stimulate economic infrastructure outside the ailing sector and to mobilize key groups in the regions and areas concerned.

For the years 1988-90 Resider comprises two budget heads: (a) 25 million ECU for the region of Asturias and the provinces of Alava and Vizcaya in Spain and (b) 250 million ECU for the Community as a whole. 60 million ECU of the proposed overall appropriation (300 million ECU) will be in the form of interest subsidies on Community global loans pursuant to Article 56 of the ECSC Treaty.

Where the Community programme concerns areas in Portugal, the level of the ERDF contribution is to be increased by 20 percentage points, subject to a ceiling of 70%. However, the Portuguese steel industry will be only minimally affected by the proposed quota and closure incentive scheme.

In contrast to the Renaval programme, which went hand-in-hand with a proposal for a Council Regulation (Article 235 of the EEC Treaty) providing for specific social action, the Resider programme is merely accompanied by a Council Decision (Article 235 of the EEC Treaty) providing for a specific 50 million ECU contribution from the EEC budget for the purpose of interest subsidies on ECSC loans.

Gist of the Committee Opinion¹

The Economic and Social Committee adopted its Opinion unanimously with 2 abstentions.

The regions hardest hit by the crisis in iron and steel — but also in coalmining — already have high unemployment rates. For the most part, they are industrial regions which find it extremely difficult to adjust. Other sectors outside iron and steel and coalmining — and not just direct subcontractors — are also affected.

It is regrettable that the Commission has not given sufficient weight to this aspect in its Communication, particularly as alternative jobs have to be created in these regions. The Commission should therefore carry out a detailed survey of the economic and employment situation in the regions concerned.

One positive point which should be stressed is the fact that the Commission expressly fixes a comprehensive jobs target for the restructuring of the regions in question. However, it should be pointed out that:

- (i) the funds earmarked for the Resider programme are in no way sufficient to meet this aim;
- (ii) in working towards this aim it will certainly not be enough to focus on the strengthening of small and medium-sized enterprises; support should also be given to the restructuring of larger firms, in so far as this is compatible with the existing steel aid code;
- (iii) special consideration must be given in these regions to tackling ecological problems and pollution (e.g. the problem of old waste dumps) with a view not only to finding solutions but also to creating new jobs and developing forward-looking technologies.

This Opinion was drawn up in the light of the paper produced by the Section for Regional Development and Town and Country Planning, chaired by Mr Dassis (Greece — Workers). The rapporteur was Mr Schmitz (Germany — Workers).

¹ CES 1075/87.

15. AIM

'Proposal for a Council Regulation on a Community action in the field of information technology and telecommunications applied to health care — AIM — (Advanced informatics in medicine in Europe) — pilot phase'

[COM(87) 352 final]

Gist of the Commission proposal

Justification of the project

Health is, next to food and shelter, one of the basic human needs, Conscious of the high priority of health care and of the growing possibilities, but also of the cost constraints, the Community needs to optimize its efforts towards this common objective. Sector actors have joined the Commission in identifying actions which are suited to make best use of limited financial, human and technological resources to exploit the technological advances in medical and bio-informatics so as to bring the maximum care to the patient while staying within reasonable limits of expenditure.

Description of project

The global objective is to serve the concertation of European efforts towards

'sustained improvement in health care in the Community for the 1990s within economically acceptable limits by exploiting the potential of medical and bio-informatics'.

AIM is an action of which the present proposal is a pilot phase, which seeks to concert the development, on a European scale, of the medical and bio-informatics (MBI) services, equipment, systems, tools, standards, functional specifications and conventions for health care, by building, incrementally, on equipment, systems and services devised for other uses, and on complementary actions to realize in the shortest possible delay the advantages of technological progress for improving the quality and cost-performance in medical care and its supporting services. The pilot phase had three lines of action.

Action line I

Improvement of the effectiveness of public and private actions by means of the development of a common conceptual framework for cooperation at the planning and management level.

Action line II

Strengthening Europe's posture in MBI and health care by means of cooperation in pre-normative and pre-competitive technology exploration.

Action line III

The creation of an environment favourable to rapid progress in the introduction and appropriate application of MBI in health care by means of the development of specific proposals addressing the policy, regulatory, legal, organizational framework of MBI applications including the training and manpower related factors.

Gist of the Committee Opinion¹

In its Opinion, adopted unanimously with one abstention, the Committee expresses the view that AIM reflects the justified desire to create, in line with the Single Act, a homogeneous Community market in the field of health and to make it competitive in the light of the developments that have taken place, particularly in Japan and the USA. The very heterogeneity of European health systems makes it possible to develop at Community level technological projects which are suited to the world market.

AIM will thus be particularly relevant to the dissemination of research findings, and could be particularly useful for the development and dissemination of new possibilities in preventive medicine. The development and the more intensive and effective use of preventive measures, early diagnosis and therapy form one of the most effective ways of making long-term savings in health care by preventing disease.

AIM should thus be used in particular for the comparative analysis of the effects of environmental damage and specific working conditions. In this way the importance of the toxicological centres which already exist in some countries could be considerably enhanced.

The Committee feels that the number one objective should be to use AIM as a way of helping to improve further the organization of the health sector — to the benefit of the patient.

The Committee points out, however, that 'maximum care' cannot always be provided by data and technology. Human caring must always come first.

¹ CES 1066/87.

At all events the use of information technology and telecommunications must never damage the relationship of trust between patient and doctor.

It is generally recognized that this relationship of trust and the doctor-patient interaction is a major factor contributing to the alleviation and healing of disease and the preservation of health. The patient's trust cannot be transferred to technology nor can the doctor abdicate his personal responsibility for his patient to technology.

The contribution of auxiliary medical staff must not be standardized in the search for perfection. This would lead to the 'robotization' of medicine. In this respect 'telemedicine' can be used only when it meets health care needs.

Furthermore, the confidentiality of case data must remain one of the fundamentals of health care and the principle of professional secrecy must remain intact. Thus the keeping of patient records can be a legitimate subject for AIM only in so far as this means that the doctor records the essential data of a patient's medical history in accordance with standardized principles so as to make the data intelligible to any other doctors consulted by the patient. AIM must not be used to make medical histories more accessible to third parties, particularly administrations, insurers and employers, without regard for the patient's wishes. On the contrary, AIM should be expected to contribute to the improvement of data protection.

There are therefore reservations about any use of AIM for monitoring purposes in the administration of health care systems. This would, the Committee feels, give rise to the danger of total surveillance of the patient and his or her medical history.

This Opinion was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Jaschick (Germany — Various Interests). The rapporteur was Mrs Tiemann (Germany — Various Interests).

16. CABOTAGE PASSENGER TRANSPORT

'Proposal for a Council Regulation on common rules for the international carriage of passengers by coach and bus'

[COM(87) 31 final]

Gist of the Commission documents

The Commission has proposed two new Regulations to enable operators of coaches and buses in the Community to offer their services throughout the European market and thus to provide travellers with a wider choice. At present passenger traffic originating in one Member State can normally be served only by operators based in the State in question. The new measures will allow an operator from one Member State, and also to pick up passengers in another Member State to offer his services on a route linking two other Member States for a journey to his own country of residence. These measures will enable firms to plan the development of their activities on a European scale and thus take advantage of all the opportunities this offers. Operators will also be able to offer their services for internal transport (cabotage) within another Member State.

The two Commission proposals seek:

- (i) to establish common rules for international passenger transport by road;
- (ii) to lay down conditions for non-resident carriers to operate national road-passenger transport within a Member State.

International passenger transport

Travel by bus and coach has expanded rapidly in recent years, with the bus holding its own despite the development of private motoring. The quality of service has improved, fares are attractive and vehicles and roads have become safer and more comfortable. However, it is an implicit principle behind the existing Community Regulations in this sector that all passenger traffic originating in a Member State should be served only by operators from that State. It is clear that such a situation is no longer tenable, as borne out by the Judgment of the Court of Justice in 1983. The Court stated that freedom to provide services in both international and domestic transport markets must be granted within a reasonable time.

The Commission's guiding principle is therefore that international markets should be open to transport undertakings from all Member States without restrictions as to nationality or place of establishment.

Various changes are introduced to the existing regulations which would help to open up the market:

- (i) it will be possible to make an outward journey without passengers, for instance to collect a group in another country;
- (ii) the group could be picked up at more than one point in the country of departure;
- (iii) it will be easier to provide local excursions in the country of destination;
- (iv) the definition of a group will be made more flexible.

Administrative improvements are proposed which would cut down some of the delays and problems of coach travel across frontiers. For example, there would no longer be a need for the driver to carry a list of passengers, and the provision of authorizations for a trip would be simplified.

The Commission put special emphasis on the need to ensure that coach and bus travel is safe. It is therefore proposing that a timetable of drivers' hours and rest periods will be an integral part of both the control document and the authorizations; that the inspection powers of the competent authorities with regard to drivers' hours should be widened; and that a company wishing to engage in international transport must see that both drivers and vehicles respect national and international legal requirements on road safety.

Offering services in another Member State

The new rules proposed for cabotage would make it possible for undertakings established in one member country to offer services in another. The Commission would not expect this to affect regular services, which depend on itinerary, timetable and fare structure, but it could open up occasional services by allowing coach companies to offer short-term tourist excursions or tours.

The new freedom would mean the removal of all restrictions on the grounds of nationality or the fact that the operator is established in a different Member State; he would be free to provide services under the same conditions as resident carriers. However, he would have to meet the requirements laid down for international carriage of passengers in order to undertake cabotage.

Gist of the Committee Opinion¹

This Opinion was adopted unanimously with 1 abstention.

For the Committee it is of the utmost importance that the objective of a free market in the Community transport sector by 1992 be met. For this, however, a Community master plan must be drawn up for the whole sector with separate plans for each mode of transport. Up until now the Commission's proposals have only been aimed at liberalization in a few sectors.

At all events it is felt that there is a close link between the liberalization of transport services and the harmonization of the conditions governing these services. Both have the highest priority.

This Opinion was drawn up in the light of the paper produced by the Section for Transport and Communications, chaired by Mr L. J. Smith (United Kingdom — Workers). The rapporteur was Mr Tukker (United Kingdom — Employers).

17. COMMON RULES, INTERNATIONAL CARRIAGE OF PASSENGERS BY ROAD

'Proposal for a Council Regulation on common rules for the international carriage of passengers by coach and bus'

[COM(87) 31 final]

Gist of the Committee Opinion²

In order to achieve freedom to provide services in international transport, the Committee notes in its Opinion adopted by a large majority with 3 votes against and 4 abstentions that rules will have to be introduced to enable carriers from all Member States to have access, under certain conditions, to the market in international transport without restrictions based on nationality or place of establishment.

Supply already exceeds demand on some national passenger transport markets in the EC, leading to ruinous price competition with damaging effects on the working and social conditions of those employed in the industry.

¹ CES 1076/87.

² CES 1077/87.

According to the Committee the following new provisions in the Commission document give rise to the fear that competition may overshoot the mark in future:

- (i) greater flexibility with regard to shuttle services and the introduction of the 'reverse shuttle';
- (ii) the extended scope of occasional services;
- (iii) the opening of the markets for occasional services by freeing from the need for authorization all unladen journeys in relation to occasional services;
- (iv) in practice the examples referred to above will have a still greater effect as a result of the planned introduction of freedom to provide services (cabotage).

In order to prevent the abovementioned type of damaging consequences for coach and bus operators and their employees, the distortions in competition in the following fields should be removed and conditions in the EC Member States should be approximated as far as possible: harmonization, safety, training of drivers, sanctions and infringements, access to the profession, criteria for revoking of authorizations and monitoring of the Regulation.

This Opinion was drawn up in the light of the paper produced by the Section for Transport and Communications, chaired by Mr L. J. Smith (United Kingdom — Workers). The rapporteur was Mr Bleser (Luxembourg — Workers).

18. CEREALS

'Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 2727/75 on the common organization of the market in cereals'
[COM(87) 450 final]

Gist of the Commission's proposals

In Annex B to the basic Council Regulation on the common organization of the markets in cereal products, a list is set out indicating the processed products derived from cereals which are eligible for export refunds. The list is a very varied one as it reflects the diversity of the products of the EC Member States' food industries.

Provision should be made for amending this list so that it may be adapted in line with market realities in a flexible way and with a minimum of delay and in order to ensure that producers have a free choice as regards the raw materials which they use.

Gist of the Committee Opinion¹

In its Opinion, which it adopted unanimously, the Committee gives its approval to the Commission's proposal.

As regards the proposed new powers for the Commission, however, some of which would be of considerable economic importance, the Committee recommends that steps be taken to ensure that the sector is managed in a well-balanced way with the interests of the various Member States being respected.

The rapporteur-general for this Opinion was Mr Luchetti (Italy — Various Interests).

19. SUMMER TIME

'Proposal for a Fourth Council Directive on summer-time arrangements'

Gist of the Committee Opinion²

In its Opinion adopted by a large majority, with four abstentions the Committee first of all points out that once again it has been given an extremely short deadline for the delivery of its Opinion on a subject which is important for some sectors at least. This raises the question of whether it is in keeping with the spirit of the Treaty of Rome to treat the Committee in this way. The Council and Commission are asked not to lay down such short deadlines unless there is an objective need to do so.

The Committee endorses the substance of the Commission's proposal to extend the present arrangements with regard to summer time for one year (1989). The Committee supported the Community-wide harmonization of summer time in earlier Opinions.

In an Opinion which was unanimously adopted at the 219th Plenary Session on 26 September 1984, the Committee recommended a uniform date for the ending of summer time, in spite of the difficulties put forward by some Member States: it is regrettable that this recommendation has been disregarded so far by the Community authorities.

The Committee expects to be given enough time to make a proper study of the Commission's definitive proposal for the post-1989 period on the basis of experience in the application of summer time.

¹ CES 1065/87.

² CES 1080/87.

The rapporteur-general for this Opinion was Mr Haas (Germany — Various Interests).

20. FISHERIES — NOMENCLATURE

'Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 3796/81 on the common organization of the market in fishery products'

Gist of the Commission document

Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature and on the common customs tariff has established a combined nomenclature, on the basis of the harmonized commodity description and coding system (harmonized system).

The combined nomenclature will be applied from 1 January 1988.

As a consequence of the introduction of this new nomenclature it is necessary to adapt all Council and Commission instruments where reference is made to the common customs tariff or Nimexe. One of the instruments that has to be adapted is Council Regulation (EEC) No 3796/81 on the common organization of the market in fishery products (the base regulation).

The amendments proposed by the Commission are of a purely technical character.

Gist of the Committee Opinion¹

In an Opinion adopted unanimously, the Committee approves the draft programmes presented by the Commission.

The rapporteur-general for this Opinion was Mr Hancock (United Kingdom — Employers).

¹ CES 1082/87.

Formal sitting

Farewell to Mr Louet

On the occasion of the retirement of Mr Roger Louet from the post of Secretary-General of the Committee, Mr Fons Margot, President, wished him farewell. Here are some extracts from his speech:

Today it is my duty to pay tribute to Roger Louet on behalf of the Committee and to thank him for the work which he has carried out. In the course of what some have gone so far as to call 'his reign', the Committee has grown tremendously. It has had to make changes as regards its premises, its establishment plan and its working methods to take account of the latest rounds of new accessions to the Community. With the accession of, first of all, Greece and subsequently Spain and Portugal, the number of working languages was raised from 6 to 9 with all the attendant difficulties and problems. Furthermore, the volume and complexity of the subjects dealt with by the Committee has been increasing all the time. The average number of Opinions and Reports issued each year has passed the hundred mark, whilst the deadlines set for the Committee's Opinions have grown ever shorter, a trend which will continue with the implementation of the Single Act which makes it necessary for the Committee to give its views in a very short space of time if it wants to have a real influence on the final decisions.

In spite of the increasing burden placed upon the Committee and its Members, the budgetary problems facing the Community as a result of, *inter alia*, the economic belt-tightening imposed upon the Member States, have meant that it has not been possible to provide the Committee with the necessary increase in its finances.

Mr Louet has also endeavoured to bring about an improvement in relations between the Committee and the other European institutions. On the initiative of Mr Louet the annual contacts between the presidents and secretaries-general of the national economic and social councils have been institutionalized. Mr Louet also encouraged the establishment of an association of former members of the Committee. He played an active role in arranging regular contacts between, on the one hand, the Committee and its EFTA counterpart and, on the

other hand, socio-occupational interest groups in the ACP countries. He also opened the Committee's doors to European socio-occupational organizations and was the driving force behind major conferences held by the Committee, such as those on the European Year of Small and Medium-Sized Enterprises, new technologies and the problems facing the cooperative, mutual and non-profit sector.

Roger Louet is now taking his leave of us and returning to this home port, dreaming no doubt of new discoveries awaiting him. I should like to express to him the gratitude of the Economic and Social Committee and to offer him the title of Honorary Secretary-General.



The new Secretary-General of the Economic and Social Committee, Mr Jacques Moreau, who took up his duties on 1 November 1987.

External relations

Activities of ESC Chairman

Visit to the United States of America

A delegation from the Economic and Social Committee of the European Communities travelled to the United States from 9 to 11 November 1987 to discuss EC/USA trading problems with their American counterparts.

Apart from the Committee Chairman, Mr Fons Margot (Belgium), the delegation consisted of Mr José Maria Zufiaur Narvaiza (Spain), Vice-Chairman, Mr François Staedelin (France), Chairman of the Workers' Group, Mr Aldo Romoli (Italy) and Mr Jean-Claude Clavel (France), both of whom are rapporteurs for GATT, and the Secretary-General Mr Jacques Moreau.

This delegation held meetings with various representatives of American socio-economic organizations, including Mr Lane Kirkland, President of AFL-CIO (American Federation of Labour — Congress of Industrial Organization), Mr Pickering, former deputy USTR (United States Trade Representative), the USTR's private sector liaison bureau, Mr William T. Archey, International Vice-Chairman of the American Chamber of Commerce, and the following organizations:

- National Association of Manufacturers,
- Small Business Administration,
- National Federation of Independent Business,
- Union of Auto Workers,
- The American Farm Bureau.

On 30 October the Committee Chairman, Mr Margot, and the outgoing Secretary-General, Mr Louet, had talks in Brussels with the new Belgian Permanent Representative to the European Communities, Mr Schoutheete De Tervarent.

Mr Margot and the Secretary-General, Mr Moreau, had talks in Brussels on 5 November with the Chairman of the European Parlia-

ment's Social Affairs Committee, Mr Campinos. The Deputy Director-General for the European Parliament's Committees, Mr Van Nuffel and the Secretary of the Social Affairs Committee, Mr van Miltenburg, also took part.

Other activities

ESC Delegation visits Como (Italy)

A Delegation from the social section of the Economic and Social Committee visited Como (Italy) on 26 and 27 October to make an on-the-spot examination of cross-border employment problems which arise between EEC and non-EEC countries. The ESC Delegation included Mr Pearson (Ireland — Employers), Chairman of the study group set up for this purpose, and the rapporteur of the Committee's Opinion on cross-border employment problems, Mr Vercellino (Italy — Workers' Group). They met representatives of the Swiss and Italian Chambers of Commerce as well as Trade Union representatives and discussed such questions as social security, taxation, pensions, etc. The visit concluded with a press conference which was given by Mr Vercellino.

Attendance by Committee representatives at the Congress of the Association of European Journalists

Representatives of the Economic and Social Committee attended the Congress of the Association of European Journalists held at Funchal (Madeira), from 22 to 24 October 1987. The theme of the Congress was relations between Europe and Africa. This is a forward-looking theme since relations between Europe and Africa, which are already excellent trading partners, are to become still closer in the twenty-first century.

In the course of the Congress a large number of the participants — journalists and representatives of the European institutions — expressed their support for two Portuguese journalists, Antonio Saraiva and Celestino Amaral who had been imprisoned for engaging in 'excessive press freedom'. The Congress also awarded the prize for European Journalism to Mrs Maria-Elisa Domingues of the Portuguese Radio and Television Corporation (RTP), the author of a series entitled 'Europe' explaining the construction of Europe and the effects on Portugal, and to Mr Val Dorgan, a journalist on the Irish newspaper, the *Cork Examiner*, who had been covering European affairs for 17 years.

Press conference in Copenhagen

On 28 October 1987 a press conference was held in Copenhagen at which Mr Collet, Mr Preben Nielsen and Mr Kaaris presented the Committee's Opinion on the economic situation in the Community (Denmark) to the Danish press.

Press conference in Milan

On 11 November 1987 Mr Bernard Mourgues (France — Workers) and Mr Danilo Beretta (Italy — Workers) respectively rapporteurs of the Committee's Opinions on 'The evolution of the social situation in the European Community' and 'The social aspects of the internal market', presented these Opinions to the Italian press at a press conference which was held in Milan.

Establishment of the first Inter-regional Committee for the Protection of the Environment

In the wake of the opening conference of the European Year of the Environment — bringing together representatives of all sides of industry — the socio-occupational organizations in the Luxembourg/Saar/Lorraine/Luxembourg Province of Belgium/Trier region decided, acting on a proposal from the Economic and Social Committee, to set up an inter-regional committee for the protection of the environment.

The secretariat for this inter-regional cooperation on the environment could be provided by the Institute for Regional Cooperation in Intra-Community Frontier Regions (IRI). The committee organizing this cooperation held a meeting in Luxembourg on 11 November 1987 under the Chairmanship of Mr Boisseree. The rapporteur was Mr Muller, and the meeting was prepared by Mr Kuby, Director at the Economic and Social Committee.

Members' activities

On 2 and 3 November 1987 Mr Noordwal took part in a Workshop on 'Continuing training and the long-term unemployed' which was organized by Cedefop (European Centre for the Development of Vocational Training) in Berlin.

Mrs Tiemann took part in a seminar on equality of treatment for women, organized by the Danish Ministry of Labour, from 16 to 19 November.

Mrs Williams took part in the European Conference on playground accidents and how they can be prevented, which was organized by the Commission in Brussels on 19 and 20 November.

New consultations

Since the last Plenary Session the Economic and Social Committee has been consulted on the following questions:

Proposal for a Council Directive completing the implementation of the principle of equal treatment for men and women in statutory and occupational social security schemes
[COM(87) 494 final]

Revision of the multiannual research programme for the European Community in the field of biotechnology
[COM(86) 272 final and COM(87) 481 final]

Proposal for a Council Decision concerning Community action in the field of forecasting and assessment in science and technology: FAST
[COM(87) 502 final]

A new role for the Joint Research Centre

- (1) **Council Decision adopting specific research programmes to be implemented by the Joint Research Centre for the European Economic Community (1988-91)**
- (2) **Council Decision adopting specific research programmes to be implemented by the Joint Research Centre for the European Atomic Energy Community (1988-91)**
- (3) **Council Decision adopting a supplementary research programme to be implemented by the Joint Research Centre for the European Atomic Energy Community (1988-91)**

[COM(87) 491 final]

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 3796/81 on the common organization of the market in fishery products
[COM(87) 499 final]

Proposal for a Council Decision on the conclusion of the European Convention for the Protection of Animals for Slaughter
[COM(87) 488 final]

Pending

The Council is shortly to consult the ESC on the:

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 804/68 on the common organization of the market in milk and milk products

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 805/68 on the common organization of the market in beef and veal

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 1035/72 on the common organization of the market in fruit and vegetables

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 2759/75 on the common organization of the market in pigmeat and No 2766/75 establishing the list of products for which sluice-gate prices are to be fixed and laying down the rules for fixing the sluice-gate price for pig carcasses

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 2777/75 on the common organization of the market in poultrymeat

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 1837/80 on the common organization of the market in sheepmeat and goatmeat

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 426/86 on the common organization of the market in products processed from fruit and vegetables

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 827/68 on the common organization of the market in certain products listed in Annex II to the Treaty

(Presented by the Commission)

Proposal for a Council Regulation on foodstuff batch marking
[COM(87) 501 final]

Provisional programme of future work

December 1987 Plenary Session

Opinions

- Insider trading [COM(87) 111 final]
- Possession of weapons [COM(87) 383 final]
- Marketing and use of certain dangerous substances [COM(83) 556 final]
- Third periodic report on regions [COM(87) 230 final]
- 16th competition policy report [COM(87) 180 final]
- Renewable energy sources [COM(87) 432 final]
- Access to large-scale scientific facilities [COM(87) 319 final]
- Applied metrology [COM(87) 444 final]
- Stimulation of the international cooperation and interchange needed by research scientists [COM(87) 443 final]
- Protection of animals for slaughter [COM(87) 488 final]
- Agricultural nomenclature [COM(87) 513 final]

Future Plenary Sessions

Opinions

- Lateral protection of motor vehicles [COM(87) 132 final]
- FAST [COM(87) 502 final]
- Organization of the market in fishery products [COM(87) 499 final]
- Own resources [COM(87) 420 final]
- Tread depth of tyres [COM(87) 407 final]
- Conditions for the registration of ships [COM(86) 923 final]
- Thermonuclear fusion [COM(87) 302 final]
- Energy efficiency of buildings [COM(87) 401 final]
- Research programme — biotechnology [COM(87) 481 final]

Tax harmonization [COM(87) 320 to 328 final]

Equal treatment for men and women in social security schemes
[COM(87) 494 final]

Five-year JRC programme [COM(87) 491 final]

Own-initiative Opinions

Cross-frontier labour market problems

Franchising agreements

Know-how licensing agreements

Community transit

Social aspects of sea fishing

Relations between the Community and State-trading countries

Information reports

Upland areas

Training and supply of researchers

Energy policy and completion of the internal market

GATT/Uruguay Round

The problem of ACP countries' indebtedness

Relations between the Community and Mediterranean countries

Secretariat and members' news

Mr Jacques Moreau, new ESC Secretary-General

On Friday 30 October 1987 the Council of the European Communities appointed Mr Jacques Moreau (France) Secretary-General of the Economic and Social Committee of the European Communities to succeed Mr Roger Louet, who is retiring.

Mr Moreau was born on 25 August 1933 at St Estèphe (Gironde). He holds an arts degree and is also a graduate of the Paris-based Institute of Political Studies.

His previous posts include:

Deputy Secretary-General of the Union of Engineers and Managerial Staff of the French Democratic Confederation of Labour (UCC-CFDT), (1963-70);

Secretary-General of the CFDT Chemical Industries Federation (1969-74);

Member of the CFDT Executive Board; Head of the CFDT political section (1974-79).

Mr Moreau became a Member of the European Parliament in 1979 and, in 1981, was elected Chairman of the EP Economic and Monetary Affairs Committee — a post previously held by Mr Jacques Delors, the current President of the EC Commission.

Since July 1984 Mr Moreau has been a consultant to the Commission Directorate-General for Employment, Social Affairs and Education. Since November 1985 he has also been Managing Director of the Europe and Society Foundation.

Mr Moreau took up his duties as Secretary-General of the ESC on 1 November 1987.

New appointment

The Council of Ministers has just appointed Mr P. Schade-Poulsen as a member of the Economic and Social Committee to replace Mr Springborg, who has resigned. Mr Schade-Poulsen is Director of the Dansk Arbejdsgiverforening (Association of Danish Employers).

PUBLICATIONS OBTAINABLE FROM THE ECONOMIC AND SOCIAL COMMITTEE

General documentation

The other European Assembly, January 1987 (CES 87-004)
European Union, a people's Europe and the Economic and Social Committee
(Committee Chairman Muhr's speeches to the *ad hoc* Committees for
Institutional Affairs and a people's Europe), 1985 (EX-43-85-35)

Opinions and studies

National regional development aid (Opinion) (Brussels 1986)
Community Rail Policy (ECU 7.40, IRL 2.70, UKL 2.40, USD 4)
EEC maritime transport policy (Brussels, June 1986) (ESC 86-008-EN)
(ECU 3.40, UKL 2.40, IRL 2.70, USD 4)
Demographic situation in the Community (Information report) (Brussels 1986)
Occupational medicine — occupational cancer (1985)
Consumer-producer dialogue (Opinion) (January 1985) (ESC 84-011)
Irish border areas (Information report) (February 1984) (ESC 84-002)
Transport policy in the 1980s (Opinion) (March 1983) 99 pp. (ESC 83-003)

**Obtainable from Gower Publishing Co. Ltd, 1 Westmead, Farnborough, Hants GU
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Community Advisory Committee for the Representation of Socio-Economic
Interests (UKL 8.50)
European interest groups and their relationship to the Economic and Social
Committee (UKL 25)

Obtainable from Editions Delta, 92-94 Square Plasky, 1040 Brussels:

The economic and social interest groups of Portugal (BFR 350)
Action by the European Community through its financial instruments (Brussels
1979) (BFR 425)
The economic and social interest groups of Greece (BFR 350)
The right of initiative of the ESC (BFR 400)

Obtainable from Kogan Page Ltd, 120 Pentonville Rd, London N1

Directory of European agricultural organizations (UKL 39)

Office for Official Publications of the European Communities

Bulletin (monthly publication) (per issue: ECU 3.50, UKL 2.50, USD 3.50,
IRL 2.70). Annual subscription: ECU 27.70, UKL 19.80, USD 29, IRL 21.20)
Effects of the CAP on the social situation of farmworkers in the European
Community (Brussels 1987) (ISBN 92-830-0093-5) (ECU 3.40, BFR 150,
IRL 2.40, UKL 2.10, USD 3.50)
European environment policy: Air, water, waste management (Brussels 1987)
(ISBN 92-830-0108-7) (ECU 3.50, BFR 150, IRL 2.70, UKL 2.60, USD 4.00)
EEC air transport policy (October 1985) (ESC 85-10) (ECU 5.50, UKL 3.30,
IRL 4, USD 5)
The economic and social situation of the Community (1986) (84-015) (ECU 4,
IRL 3, UKL 3, USD 5)
GATT — towards a new round (Opinion) (Brussels 1986) (EX-46-86-937-EN-C)
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