

European Community



October 1978

EC Signs Fisheries Pact



EC Commissioner Richard Burke and Canadian Fisheries Minister Romeo Leblanc in Ottawa for signing of NAFO agreement on 24 October.

Richard Burke, EC Commission member for Taxation, Transport, Consumer Affairs and Relations with the European Parliament, visited Canada in October.

On behalf of the EC, Mr. Burke and Klaus von Dohnanyi, German Minister of State, signed in Ottawa on 24 October an international convention that will lead to the creation of the Northwest Atlantic Fisheries Organization (NAFO). NAFO will provide for international cooperation in the conservation and management of fish

stocks beyond the 200-mile zone, which is now under jurisdiction of coastal states. It will replace the International Commission for the Northwest Atlantic Fisheries (ICNAF).

In Ottawa, Mr. Burke had talks with Otto Lang, Canadian Minister of Justice, of Transport and of the Wheat Board.

Later, Mr. Burke met in Montreal with Assad Kotaite and Yves Lambert, President and Secretary General respectively, of the International Civil Aviation Organization •

Conditions "Ideal" for EC-China Trade

Chinese leaders say conditions are ideal for developing the EC-China trade agreement signed on 3 April 1978, EC Commission Vice-President Wilhelm Haferkamp announced on his return from China.

Mr. Haferkamp led a delegation of EC business and labour leaders to China to

underline the importance of the pact and to enable businessmen to meet Chinese authorities to gauge the nature of future cooperation.

EC-China trade has remained small but steady over the past five years. From the EC standpoint, the Chinese market offers almost unlimited potential, especially for the export of the capital goods, machinery, components and technological know-how needed for its industrialization programme.

President Roy Jenkins is expected to visit China in the spring •

Asbestos, Timber Seen as Areas for Cooperation

Canada and the EC can profit from each other's industrial expertise, First Secretary (Commercial) of the EC Commission's Delegation, Mr. Johannes van Rij, told a conference in Quebec City in October.

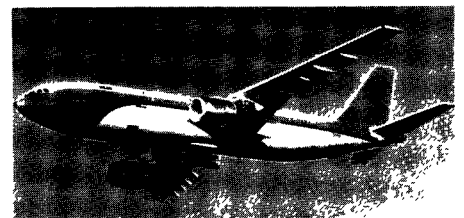
Canada is the world's largest producer of asbestos, of which the EC is a massive consumer. Both sides are concerned about the problem of health and environment protection. An EC-Canada working group for metals and minerals has designated asbestos as its first concern, and experts will meet to examine ways of using asbestos safely in industry.

Timber-frame construction was another area of cooperation, Mr. van Rij said. Technology developed in Canada had been successful in the rest of the world. He said the EC was preparing a uniform construction code for its member states, and would draw on Canadian experience. Once established, the EC code would ease the use of Canadian resources, products and procedures in Europe, through joint ventures and licensing agreements, for example •

Britain Joins Airbus Team

Britain's decision to take a 20 per cent share in the European Airbus consortium has been hailed by the EC Commission as a decisive step towards creating a European industry capable of competing on world markets.

The consortium's major partners, France and Germany, had agreed that Britain should join the enterprise. The Airbus, a 260-seat wide bodied airplane, has been flying commercially for four years. The consortium plans to build a 220-seat Airbus for short and medium-haul routes •



Wings for Airbus Industrie's A300 are already being produced in Britain.

Aluminium Cartel Alleged

The EC Commission has started anti-trust proceedings against leading world aluminium producers for allegedly operating an illegal cartel.

The Commission has written to about 30 major producers, including some East European state-owned firms, outlining its complaints on pricing, market-sharing and sales policies.

The EC depends on imports for about four-fifths of its aluminium consumption. Prices have risen about 25 per cent in the last two years.

Under EC procedure the companies have several months to reply. If unsatisfactory, the Commission can order them to end the cartel and fine companies that fail to do so. Their only recourse then would be to the European Court of Justice in Luxembourg •

EC Adopts Tougher Line on Terrorism

EC justice ministers agreed on 10 October to a convention on terrorism which requires them to prosecute "without undue delay" EC nationals accused of non-political terrorist acts. It also allows them to refuse to extradite those whose crimes are regarded as political.

The main purpose of the agreement is to enable the Nine to implement on their own territories the main provisions of the European Convention on the Suppression of Terrorism drawn up last year, but not agreed to by all member states, because of constitutional difficulties.

The new agreement contains the chief elements of the earlier convention, but gives the member states more discretion in deciding whether an offence is political or not, thus making it easier to refuse to extradite, and instead prosecute the accused in their own courts.

At the same meeting, Britain, Ireland and Denmark agreed to adhere to the EC Convention of Jurisdiction and Enforcement of Judgments in Civil and Commercial Matters. This covers the issue of which court is competent to settle disputes involving more than one EC country •



Ontario Minister of Agriculture William Newman meets EC Commission President Roy Jenkins in Brussels on 27 September 1978.

Portugal Starts Entry Talks

The opening — in Luxembourg on 17 October — of Portugal's negotiations to join the EC was "a further recognition of the effort to unite all the countries of Europe in a powerful and dynamic Community", EC Commission President Roy Jenkins told the meeting.

Negotiations with Portugal will concern the terms of its accession and the adjustments to the EC Treaties. Mr. Jenkins

noted that of the many difficulties to be overcome as Portugal progresses towards EC membership, economic problems were among the most serious. He said: "Economic efforts will be an important factor in the integration of Portugal into the Community. Their success will necessarily affect the accession arrangements, including the length of the transition period" •

EC Acts on Varying Liquor Taxes

Britain's wine drinkers pay five times more tax on their tipples than their beer-guzzling colleagues; France's tax on cognac is 30 per cent below that applied to whisky; Italy's tax on whisky is almost six times more than that on domestically produced grappa; while in Denmark the tax on aquavit and white schnapps is some 40 per cent lower than on competing spirits.

Because the EC Commission considers that such fiscal practices discriminate against similar imported products and are contrary to Common Market rules, it has referred the four cases to the European Court of Justice.

If the Court backs the Commission's view that wine and beer are similar products, whisky producers can look forward to increased sales on the Continent and French, German and Italian wine-producers to raising British consumption from its present six litres a head per year •

Trade Talks Hit Snag

The world trade negotiations in Geneva are likely to end early next year, and not by mid-December, as planned.

This became clear in October when EC foreign ministers warned that they were not prepared to complete the multilateral General Agreement on Tariffs and Trade negotiations without guarantees that President Carter's right to waive countervailing duties on imports would be renewed and that the U.S. would not seek to exclude textile tariffs from the final trade package.

Their move follows the rejection by the U.S. House of Representatives of a Bill to which an amendment had been added extending the President's powers to waive countervailing duties. His present authority for this expires on 2 January 1979 •

New Head for Canada's Mission to EC



Richard M. Tait is Canada's new Head of Mission to the EC in Brussels. Mr. Tait comes from the Department of Manpower and Immigration, where he was the Executive Director of Immigration and Demographic Policy, and replaces Marcel Cadieux, who has returned to Ottawa as Special Advisor to the Commissioner of the RCMP •

New Move to Unify Corporate Law

Corporate law will become more uniform in the EC, following agreement in October on company merger laws.

Over the next three years, common rules will come into effect covering guarantees for workers, shareholders and creditors in the case of corporate mergers within a single EC country.

Pending since 1970, the measure is the third directive involving the creation of a body of EC company law. Previous directives dealt with capital requirements and accounting standards. Still to come is an EC convention on mergers involving companies in different EC countries •

"Study Abroad" Grants Planned

Some 650 EC students could be studying "abroad" in 1981, if EC education ministers agree to a \$5.5 million scholarship programme proposal.

At present only 0.5 per cent of the Community's four million students study outside their home country. The scholarships, each worth about \$7,500, would encourage students to study in other Community countries •

Firms Drop Ban on Whisky Exports

Two major Scotch whisky producers, Bell and Teachers, have dropped export bans they imposed, after the EC Commission warned that they infringed EC fair competition regulations •

Joint Projects to Curb Pollution

Enlarging its activities in the environmental and research sectors, the European Community in October announced two major programmes to curb water and air pollution.

The projects will involve coordinated efforts by member states to:

- help prepare more efficient purification equipment to help cope with the growing demands for water supplies. By studying

the properties and behaviour of micro-pollutants in water, researchers hope to develop more effective means of combatting these substances.

- study the chemical reactions between pollutants in the lower atmosphere. Studies will focus on the transformation of primary pollutants such as sulphur dioxide, nitrogen oxides, and hydrocarbons into secondary toxic products •

A Hydrogen Economy?

A breakthrough by EC scientists in producing hydrogen has brought closer to reality the idea of a gas-powered world drawing its energy from water.

The new technique of making gas from water at a very high temperature was developed at the EC's research centre in Ispra, Italy •

EC Loan for Pacific State

The EC's European Investment Bank has granted its first loan to an associated Pacific state: about \$17.8 million for a power supply project in Fiji.

The loan will help to finance a hydroelectric scheme on Vitti Levu island, which has three quarters of Fiji's population and most of the industrial and tourism activities, and enable substantial economies to be made by replacing oil imports •

First Woman President



The first woman to preside over a Community body, Mrs. Fabrizia Gloriosio, newly elected President of the Economic and Social Committee, visited the European Commission. President Jenkins told her the Commission would probably be asking the Committee for an urgent opinion on EMS •

UK Labour Still Wary of EC

Britain's Labour Party Conference in October rejected a demand for the UK's withdrawal from the European Community, but accepted a motion calling for a cut in the powers of the Commission, a reform of the common agricultural policy and rejection of UK participation in the proposed European Monetary System •

More "Male Wives" for EC?

The women's liberation movement has not spread to EC girls.

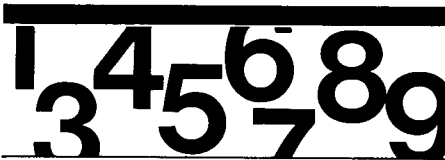
An EC Commission report has found widespread under-achievement mainly among teenage EC girls, who, it seems, are being taught to cook and sew.

The report says girls in the EC should be encouraged to aim for careers in business or technology, rather than the traditional roles of housewife and mother. It suggests metalwork and woodwork lessons for these over-domesticated girls and compulsory needlework and cooking courses for boys •

New Head for EC Tokyo Office

Leslie Fielding in October became Head of the EC Commission's Delegation to Japan. He succeeded Wolfgang Ernst, who is retiring.

As a Director in the Commission's External Affairs Directorate-General, Mr. Fielding was closely involved in negotiating the EC-Canada Framework Agreement •



EC Diary

September

- 18** Negotiations open for renewal of Lomé Convention linking EC and 53 developing countries.
 - 20** EC starts anti-trust proceedings against leading world aluminium producers.
 - 23** EC Vice-President Wilhelm Haferkamp leads delegation of EC officials and businessmen to China.
 - 25-29** EC and Canadian officials meet in Ottawa for semi-annual high-level consultations and meetings of Joint Cooperation Committee's subcommittees.
 - 27** Ontario Minister of Agriculture William Newman meets EC Commission President Roy Jenkins in Brussels.
 - 28** In GATT trade talks, EC proposes to double amount of duty-free textile imports
- ### October
- 3** EC proposes expanded EC-Yugoslavia Cooperation Agreement to replace non-preferential trading agreement signed in 1973.
 - 5-6** French proposal for creation of peacekeeping force in Lebanon supported by EC partner states.
 - 10** EC justice ministers adopt directive on common rules for mergers and agree to tougher measures to curb terrorism.

- 17** EC opens membership negotiations with Portugal.
- 24** EC Commissioner Richard Burke signs Northwest Atlantic Fisheries Organization agreement in Ottawa.



EC In Print

The following EC publications are available, free of charge, from the European Community Information Service, 350 Sparks Street, Suite 1110, Ottawa, Ontario K1R 7S8

Regional Policy: The Start of A New Phase. Europe Information. 11/78

Europe and Our Food. Explanation of the Common Agricultural Policy.

The following selected official EC publications can be obtained from the Office of Official Publications of the European Community. Post Office Box 1003, Luxembourg.

Studies. The Contract of Employment in the Law of the Member States of the European Communities. Synoptic Report: Denmark, the United Kingdom, Ireland. Continuing studies on the legal mechanics of employment contracts; definitions, conclusions, effects and termination of

contracts. Labour Law Series. No. 1. 1977 \$2.10

Studies. Advantages and disadvantages of an integrated market compared with a fragmented market: A study of the structure of security markets in the Member States to consider whether similar organizational forms are needed in the secondary markets of the Member States. Competition series. No. 30. 1977

..... \$8.80

Comparative Study of Employee Intervention Law in the Member States of the European Communities. Labour Law Series. No. 1. 1978 \$2.50

Opinion on Portuguese Application for Membership. Bulletin Supplement No. 5/78 \$2.10

Others

A Parliament for Europe. Secretariat of the European Parliament, Directorate General for Information and Public Relations. June 1978. Box no. 1601. Luxembourg.

Iron Ore and Europe. Patrick Bonazza. European News Agency. 46 av. Albert-Elisabeth. 1040 Brussels. 1978.

Europe and International Sea Law. Gerard-Joseph Boursier and Brigitte Belle-Larant, Vols. I and II. European News Agency. 46 av. Albert-Elisabeth. 1040 Brussels. 1978.

Foreign Policy-Making in Western Europe. William Wallace and W.E. Paterson. England: Saxon House, Teakfield Ltd. 1978.

Strategy for International Marketing. Herman J. Overgaard (ed.). Contains case study of "Penetration of the EEC". School of Business and Economics. Wilfred Laurier University. Kitchener, Waterloo, Ontario. 1977.

The following press releases have recently been issued by the Delegation; copies are available on request.

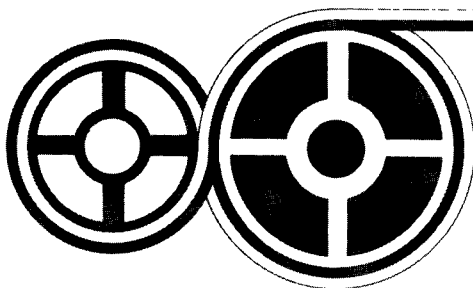
EC-Canada Talks in Ottawa NR (78) 29

Portugal Opens Membership Negotiations with EC NR (78) 30

EC Commissioner Richard Burke Visits Ottawa NR (78) 31

Prospects for the European Community (Text of speech by Roy Jenkins) NR (78) 32

Films About EC Available on Loan



The following colour films about the EC with English soundtrack, are available on loan from the European Community Information Service, 350 Sparks Street, Suite 1110, Ottawa, Ontario K1R 7S8

"University Without Frontiers" 29 minutes

"Europe Gathers Momentum" 15 minutes

"Anniversary — Compilation to Mark 20th Anniversary of Rome Treaty" 15 minutes

"Eurobus. The European Institutions" 14 minutes

"Equal Chances, Equal Opportunities" 18 minutes

"Europe United" 15 minutes

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