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** There is no doubt that the ENERGY CRISIS is making it more difficult to maintain full EMPLOYMENT in the Community, particularly at a time when production and employment were adapting themselves in order to achieve a better balance. However, the increase in prices of oil products should affect rather the structure of employment than its level. In the report on employment and the energy situation just published, the European Commission proposes special measures to protect the most vulnerable groups of workers: school-leavers, migrant workers and women.

ANNEX 1 gives a brief summary of this report.

** In order to encourage the flow of mutual information within the Community, we have asked various television programme producers to tell us briefly what each television network broadcasting in the Community does to help consumers.

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Commission of the European Communities
Directorate General of Information
Division for industrial information and consumers
Rue de la Loi 200
B-1040 - Brussels - Tel. 3500 40

Further information is available from the Commission's press and information offices in the countries listed on the inside cover.

The information published in this bulletin covers the European Communities' activities in the fields of industrial development, protection of the environment and consumer welfare. It is therefore not limited to recording Commission decisions or opinions.

PRESS AND INFORMATION OFFICES OF THE EUROPEAN COMMUNITIES

BELGIUM

1040 BRUSSELS
Rue de la Loi 200
Tel. 35 00 40

DENMARK

1457 COPENHAGEN
4 Gammeltorv
Tel. 14 41 40

FRANCE

75782 PARIS CEDEX 16
61, rue des Belles-Feuilles
Tel. 553 53 26

GERMANY

53 BONN
Zitelmannstraße 22
Tel. 2380 41

1 BERLIN 31
Kurfürstendamm 102
Tel. 886 40 28

GREAT BRITAIN

LONDON W8 4QQ
20, Kensington Palace Gardens
Tel. 727 8090

IRELAND

DUBLIN 2
41 Fitzwilliam Square
Tel. 66 223

ITALY

00187 ROME
Via Poli, 29
Tel. 68 97 22 à 26

LUXEMBOURG

LUXEMBOURG
Centre européen du Kirchberg
Tel. 479 41

NETHERLANDS

THE HAGUE
29, Lange Voorhout
Tel. 070-46 93 26

SWITZERLAND

1202 GENEVA
37-39, rue de Vermont
Tel. 34 97 50

UNITED STATES

WASHINGTON, D.C. 20037
2100 M Street, N.W.
Suite 707
Tel. (202) 872-8350

NEW YORK 10017
277 Park Avenue
Tel. 371-3804

ANNEX 2 is an account of WHAT TELEVISION DOES TO HELP THE CONSUMER IN THE NETHERLANDS (this article was sent to us by the Dutch Television Institute VARA).

** The European Commission has just published the first INDUSTRIAL STATISTICS valid for all nine Member States of the European Community. These production indices and figures cover the first six months of 1973 and allow of a preliminary comparative analysis between the industries of the countries of the enlarged Community.

ANNEX 3 gives some of the data.

** We have asked various organizations in the Community responsible for consumer protection matters to supply us periodically with details of the latest developments on subjects of direct interest to CONSUMERS. It should be understood that these articles are the sole responsibility of their authors.

ANNEX 4 is an article sent to us by the West German organization, "Stiftung Warentest" (Foundation for testing goods).

** At the beginning of 1974 consumers in Belgium, France, Germany, Italy and the Netherlands took a much more pessimistic view of the general economic situation than they had done the previous autumn. This information is to be gathered from the sixth CONSUMER SURVEY ON THE ECONOMIC SITUATION which was carried out in January 1974 in these five countries at the request of the European Commission. In general, the number of households that anticipate increased unemployment during the next few months has risen sharply. The recent trend in raw materials prices has crushed the hope of a let-up in price increases expressed



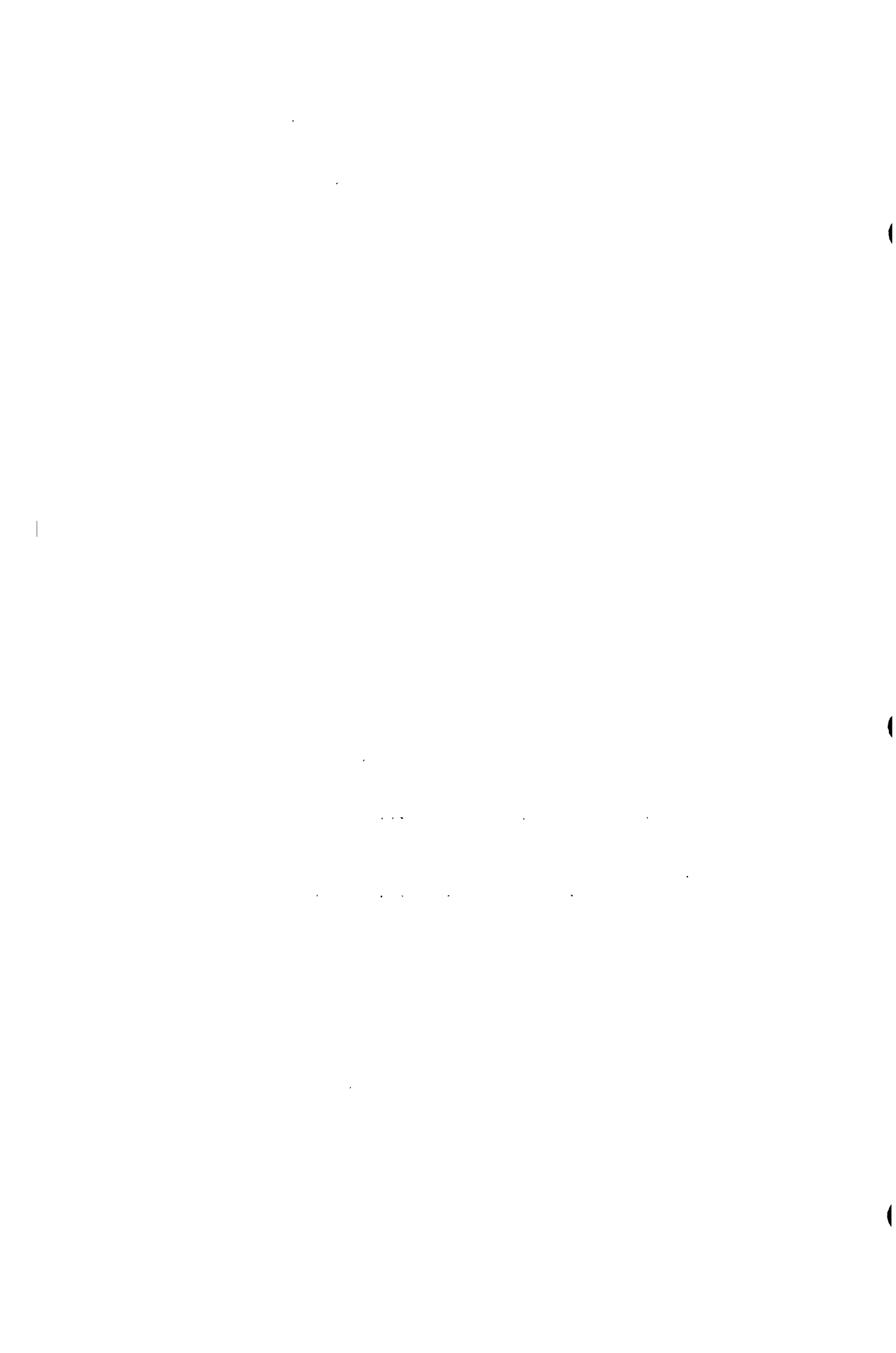
by consumers in January 1973. The results of the enquiry show that purchasing intentions for all consumer durables (cars, refrigerators, television sets) are lower than last year, with the exception of France, where there is no sign of a slowing-down in the purchasing rate. In all the countries, most households intend to spend as much or more money than last year for their holidays. It seems that many households prefer to limit their spending rather than reduce their holiday budget.

** The European Commission's proposal recommending to Member States that the principles of the FORTY-HOUR WEEK and FOUR WEEKS ANNUAL PAID LEAVE should be applied throughout the Community from 1 January 1975 and 1 January 1976 respectively (see IS No 1/74), has been approved by the European Parliament. This body congratulates the European Commission on its initiative which will mean improvement in working conditions in certain Community countries at the same time as their harmonization.

** Between January and October 1973 RETAIL PRICES FOR FOODSTUFFS AND BEVERAGES within the Community increased as follows:

Country	1973 Increase by October %
Belgium	3.7
Denmark	12.9
France	9.8
Germany	2.8
Ireland	4.2 ¹
Italy	9.5
Luxembourg	3.3
Netherlands	5.1
United Kingdom	10.8

¹ Between February and August.



** At its last session the European Parliament came out in favour of the Commission's proposal on intervention by the EUROPEAN SOCIAL FUND in favour of persons employed in the SHIPBUILDING industry. The European Parliament believes that such intervention by the Social Fund could be taken as a typical example of how it should operate, provided that this intervention falls within the framework of a restructuring and investment policy coordinated at Community level, which should be an integral part of regional policy. Furthermore, Parliament reminds us that the fact that the order books of European shipyards are at present comparatively full should not delay implementation of the industrial, regional and social policy measures for the European shipbuilding industry, so that it may be assured of its rightful place in the shipbuilding industry worldwide.

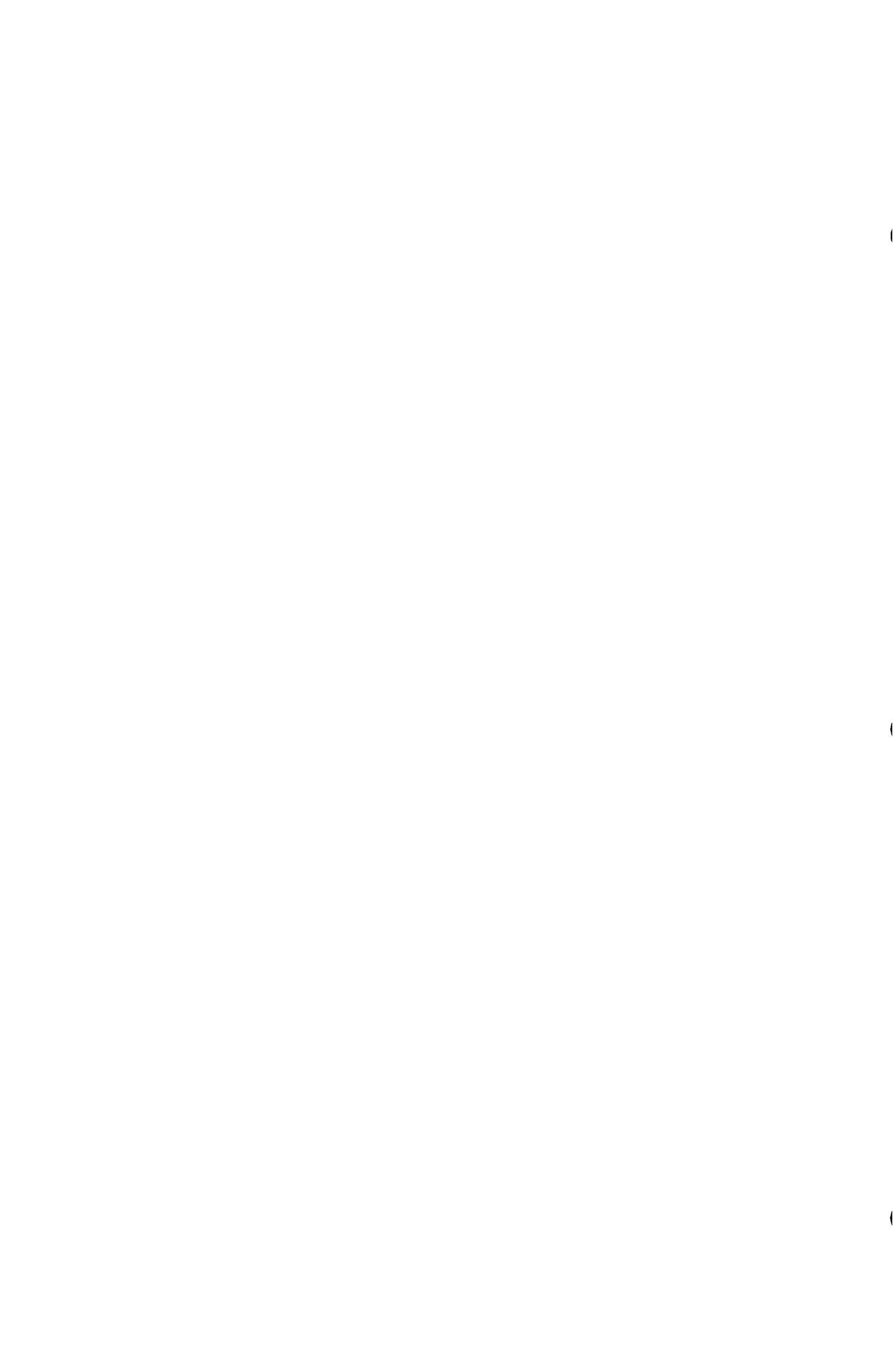
** The information services of the European Community have produced an animated cartoon in colour (16 mm) on the establishment of the CONSUMERS' CONSULTATIVE COMMITTEE for the Community (see IRT No 205). The film lasts four minutes and is available at request in Danish, Dutch, English, French, German and Italian from the TV, radio and cinema division of the European Commission, 200 rue de la Loi, 1040 Brussels.

** Consumers should be kept sufficiently informed on the subject of the marketing of IRRADIATED FOODSTUFFS and the protection of their health taken fully into account. For this reason, the European Commission is currently preparing a report on the results of an international symposium on the identification of irradiated foodstuffs, which it organized last year in Karlsruhe. This symposium collated the research done in the European Community since 1967 on the identification of these foodstuffs and the research has already culminated in practical methods which permit identification in the case of some products. In



this connection, the Council of Ministers of the Community has to approve by 1 January 1977 a proposal for a directive submitted by the Commission on the irradiation of foodstuffs (see IS No 9/74).

** The European Commission greatly regrets that the conference on the EUROPEAN PATENT (see IS No 17/74), which should have taken place in Luxembourg this month, has been postponed at the request of the British Government. At this intergovernmental conference the member countries of the European Community were to have signed the convention on the European patent, which would have permitted the free movement of patented processes within the Community and the achievement of conditions of equality in competition.



EMPLOYMENT AND THE ENERGY SITUATION

There is no doubt that the energy crisis is making it more difficult to maintain full employment in the Community, particularly at a time when production and employment were adapting themselves in order to achieve a better balance. However, the increase in prices of oil products should affect rather the structure than the level of employment. The European Commission in the report it has just published on employment and the energy situation, proposes special measures to protect the most vulnerable groups of workers: school-leavers, migrant workers and women.

1. Change in structure of employment

The increase in fuel prices should bring about significant changes in the structure of production and employment within the European Community. The industries particularly affected are those where oil is used as fuel in the production process or as fuel in the final product (e.g. the motor industry), or where petrol is the raw material (e.g. synthetic textiles). The decrease in the volume of employment in the different industries varies from one country to another. The following table highlights those industries likely to be affected most by the energy crisis. They are grouped according to the number of jobs endangered, expressed in absolute figures (1 representing the greatest number of jobs lost).

Classification of industries according to jobs lost (in decreasing order)	Germany	France	United Kingdom	Italy	Netherlands	Belgium
Services (other than commerce and transport)	2	1	1	2	2	1
Chemical and plastics products	5	6	5	5	3	4
Textiles and clothing	4	4	7	3	5	3
Electric and non-electric machines, railway and aeronautical equipment	3	3	2	6	--	6
Shipbuilding, vehicle engines and bodies, motor cycles	--	5	3	4	4	5
Building and civil engineering works	1	2	4	1	1	2
Services to trade	6	--	6	--	--	--
Total expressed as percentage of total number of jobs lost	83%	85%	89%	84%	89%	89.5%

However, it seems that new employment opportunities will develop as higher oil prices make the exploitation of other Community sources of energy more profitable. Thus increased demand for investment goods, such as nuclear power stations and gas pipelines is already emerging. It is also likely that there will be a redeployment of household spending. For example, if the rate of car purchases continues to slow down, households could channel their spending towards other goods and services. In this connection, the existence of the Common Market could encourage faster adjustment to the new prices structure, whilst the existence of a large market could lead to the launching of new kinds of products.

2. Measures proposed by the European Commission

According to the European Commission the energy crisis is much more likely to alter the structure of employment than to make the unemployment situation worse, and certain measures should be taken to prepare the way for this new employment structure:

Disastrous competition should be avoided both within the Community and in world trade as a whole. In this respect, the customs union and the Community's competition regulations can safeguard the Community from a cumulative deterioration in the employment situation.

Close collaboration between employers and trade unions should be established to allow constant monitoring of developments in all industries and to seek the best means of redeploying the burden resulting from reduced productivity. In the face of a temporary reduction in demand the introduction of a system of spreading the workload by reducing overtime, or even by shortening the working week, could be preferable to laying off labour. Several recent examples in the motor industry have illustrated the advisability of this type of action.

The most vulnerable social groups (i.e. essentially school-leavers, migrant workers, women and older workers) should be protected. Various measures could be planned to help these groups: e.g. increased training opportunities for school-leavers, encouragement of early retirement with full pension rights in the case of older workers who have been laid off, upholding and improving the status of migrant workers who must be treated without discrimination, improving guidance and training to which women have access (some industries employing many women, such as textiles and tourism, could be among those most affected).

The European Community has a substantial role to play in support of the efforts undertaken by the Governments, industry and trade unions to deal with the repercussions that the oil crisis will have on employment. With regard to both forecasting and guidance, and vocational training and free movement of labour, common guidelines should make it possible to facilitate full employment within the Community. The resources of the European Social Fund are available to help in the development of all these measures. The European Community feels that any policy for using the resources of the Social Fund should take into account the new situation brought about by the increase in prices of oil products. The changes which this situation will require raise the question of greater resources and better adapted techniques for the Social Fund.

WHAT TELEVISION DOES TO HELP CONSUMERS IN THE NETHERLANDS

(VARA Television Institute)

In order to encourage the flow of mutual information within the Community we have asked various television programme producers to tell us briefly what each television network broadcasting within the Community does to help the consumer.

The following article was sent to us by the Dutch Television Institute VARA.

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The programme "Koning Klant" (the customer is always right), produced by the Dutch Television Institute VARA, is broadcast every fourth Friday at about 2100 hours. It lasts about 50 minutes.

This series will be continued until the end of May. It will then be replaced by four bi-monthly programmes during June, July and August. The programme will be called "Watermerk" (pastimes in and on the water) and will keep the public informed of the state of cleanliness of the water, beaches and rivers, etc. Bacteriological tests will be carried out on samples taken at 40 different sites throughout the country in regions where water is an element in leisure activities. These tests will enable the public to decide whether it is safe to swim at a given spot or whether the water is sufficiently clean for fishing (e.g. where ammonia concentration in water is too high, fish disappear).

The "Koning Klant" series will resume in October and continue throughout the 1974/75 winter season. The programmes include comparative enquiries on goods, commentaries and reportages on misleading trading practices, and a

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spot where television viewers take over and can put their complaints to a group of specialists on the rights of the customer. The creation of the programme is not subject to any limitations of freedom, as long as it stays within legal bounds. Any companies or products discussed are always explicitly named.

INDUSTRIAL STATISTICS

The European Commission has just published the first industrial statistics valid for all nine Member States of the European Community. These production indices and figures cover the first six months of 1973 and allow a preliminary comparative analysis to be made between the industries of the countries of the enlarged Community.

PRODUCTION INDICES PER SECTOR
(index 100 = production in 1963)

<u>INDUSTRIES</u>	Germany	France	Italy	Nether- lands	Belgium	Luxembourg	United Kingdom	Ireland	Denmark	EEC 9
	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73
Industry as a whole	165 186	171 191	156 179	212 226	149 161	131 151	128 138	179 205	183 -	157 174
Food, beverages, tobacco	141 148	146 158	147 166	150 148	141 159	136 155	128 131	147 161	148 -	141 150
Manufacturing industry	167 191	175 199	156 181	187 204	160 174	136 158	131 142	172 198	183 -	159 179
Textile industry	140 155	118 130	105 115	116 124	116 122	0 0	109 115	- -	175 -	- -

NB 1973: Indices for second quarter of 1973.

PRODUCTION FIGURES FOR SOME CONSUMER GOODS

(in thousands of units)

	Germany	France	Italy	Nether- lands	Belgium	Luxembourg	United Kingdom	Ireland	Denmark	EEC 9
	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73	1972 73
Private cars	939 1028	795 882	469 343	5 6	235 264	0 0	480 531	13 14	3 3	- -
Television sets	755 899	371 491	- -		110 162	0 0	729 832	- -	16 21	- -
Refrigerators	722 709	145 135	- -		8 10		- 292	- -	125 137	- -

NB 1972: Second quarter of 1972.

1973: First quarter of 1973.



RECENT DEVELOPMENTS IN CONSUMER PROTECTION IN WEST GERMANY

We have asked various organizations in the Community responsible for consumer protection matters to supply us periodically with details of the latest developments on subjects of direct interest to consumers. It should be understood that these articles are the sole responsibility of their authors. The following article was sent to us by the West German organization "Stiftung Warentest" (Foundation for testing goods).

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Regional governments and interested associations have just received a draft law modifying legislation on pharmaceutical products. From the point of view of consumer associations this draft law represents an overall improvement in current legislation on these products. They welcomed the following points:

A more thorough acceptance procedure to precede the registration of drugs is to be adopted.

It will be mandatory to print on the product the date up to which the preparation will remain effective.

The literature accompanying the preparation will have to indicate the effects and any side-effects it has.

It will be possible for consumer organizations to combine to inform the public (especially by radio and television) about pharmaceutical products, in order to complement the information given by the manufacturers.

At the end of last year (see IS No 9/74) the Federal German Parliament (Bundestag) pronounced in favour of a law concerning the cancellation of deferred payments contracts. One exception was provided for in respect of mail order purchases. As a result of requests by consumer associations in particular, the upper house (Bundesrat) came out against this exception being made. This position was confirmed by the Bundestag. The new law on hire purchase sales will probably come into force on 1 October 1974. From that date consumers will have the right to cancel hire purchase contracts (regardless of the place where they were concluded), or to return goods in the case of mail order purchases.

The Ministry for the Interior has drawn up a draft law on the harm caused to the environment by the use of washing and cleaning products. This draft law, which aims to adapt Community directives in this field, contains provisions of particular interest to consumers:

As well as washing products, all cleaning products such as soap are included in the law.

For all washing and cleaning products containing phosphate it will be mandatory to give suggested dosages in terms of hardness of water.

Water supply authorities must inform the public at least once a year on the degree of hardness of the water they distribute.

The packaging of washing and cleaning products must indicate in a precise and comprehensible manner what are the chief constituents of the product.

Producers and importers of washing and cleaning materials must inform the Ministry for the Environment as to the general manufacturing methods used for the products.

Labelling which gives real information to the consumer will doubtless be enforced in Germany. This was the conclusion reached at a meeting arranged

by the Ministry for Economics which was attended by representatives of trade and industry, consumers, the Stiftung Warentest, the German standards committee, and the "committee for conditions of delivery and safeguarding of goods". It is anticipated that the latter committee (founded last year) will be responsible for the new "testat" (certification) labels and for initiating better use of labelling.

If the recommendations formulated above are insufficient it is possible that proposals for new legislation will be made.

A reform to protect the German consumer from certain deceptive trading practices is currently being undertaken: it is particularly concerned with the small print of contract clauses which is almost impossible to read. A committee of experts set up by the Ministry of Justice has submitted a very detailed report on this subject and has put forward proposals for new regulations on the presentation of the general conditions of a sales contract. These proposals aim to limit the practice of drawing up contracts in a manner detrimental to the customer.

